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LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2013
OF THE CONDITION AND AFFAIRS OF THE

UNUM LIFE INSURANCE COMPANY OF AMERICA

NAIC Group Code 0565 (Current) 0565 (Prior) NAIC Company Code 62235 Employer's ID Number 01-0278678

Organized under the Laws of MAINE, State of Domicile or Port of Entry MAINE

Country of Domicile UNITED STATES OF AMERICA

Incorporated/Organized 08/24/1966 Commenced Business 09/03/1966

Statutory Home Office 2211 CONGRESS STREET (Street and Number), PORTLAND , ME, US 04122 (City or Town, State, Country and Zip Code)

Main Administrative Office 2211 CONGRESS STREET (Street and Number)
PORTLAND , ME, US 04122 (City or Town, State, Country and Zip Code), 207-575-2211 (Area Code) (Telephone Number)

Mail Address 2211 CONGRESS STREET (Street and Number or P.O. Box), PORTLAND , ME, US 04122 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2211 CONGRESS STREET (Street and Number)
PORTLAND , ME, US 04122 (City or Town, State, Country and Zip Code), 207-575-2211 (Area Code) (Telephone Number)

Internet Website Address www.unum.com

Statutory Statement Contact WALTER LYNN RICE JR. (Name), 423-294-1882 (Area Code) (Telephone Number)
lrice@unum.com (E-mail Address), 423-287-8597 (FAX Number)

OFFICERS

Chairman	THOMAS ROS WATJEN	President and Chief Executive Officer	MICHAEL QUINN SIMONDS
Executive Vice President, Finance	RICHARD PAUL MCKENNEY	Executive Vice President and General Counsel	ELMER LISTON BISHOP III
Executive Vice President	KEVIN PAUL MCCARTHY	Executive Vice President, Global Services	CHRISTOPHER JOSEPH JEROME
Senior Vice President and Treasurer	KEVIN AMBROSE MCMAHON	Senior Vice President and Chief Financial Officer	ROGER LUC MARTIN
Senior Vice President and Controller	VICKI WRIGHT CORBETT	Vice President, Transactions, SEC and Corporate Secretary	SUSAN NANCE ROTH
Senior Vice President, Chief Actuary and Appointed Actuary	ALBERT ANGELO RIGGIERI, JR	Senior Vice President and Chief Marketing Officer	JOSEPH RICHARD FOLEY

DIRECTORS OR TRUSTEES

ELMER LISTON BISHOP III	JOSEPH RICHARD FOLEY	CHRISTOPHER JOSEPH JEROME
ROGER LUC MARTIN	MICHAEL QUINN SIMONDS #	RICHARD PAUL MCKENNEY
	THOMAS ROS WATJEN	

State of TENNESSEE
County of HAMILTON SS:

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

MICHAEL QUINN SIMONDS	SUSAN NANCE ROTH	KEVIN AMBROSE MCMAHON
President and Chief Executive Officer	Vice President, Transactions, SEC and Corporate Secretary	Senior Vice President and Treasurer

Subscribed and sworn to before me this
20 day of February 2014

a. Is this an original filing? Yes [X] No [ ]
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached

Darlene Stone
Darlene Stone
My commission expires September 10, 2016

DARLENE STONE
STATE OF TENNESSEE NOTARY PUBLIC
HAMILTON COUNTY

ASSETS

		Current Year			Prior Year
		1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1.	Bonds (Schedule D)	16,529,541,297		16,529,541,297	16,256,415,773
2.	Stocks (Schedule D):				
	2.1 Preferred stocks	13,000,000		13,000,000	13,000,000
	2.2 Common stocks	29,340,163		29,340,163	27,017,373
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens	816,847,912		816,847,912	834,685,416
	3.2 Other than first liens				
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less $ 0 encumbrances)	68,089,756		68,089,756	73,474,121
	4.2 Properties held for the production of income (less $ encumbrances)				
	4.3 Properties held for sale (less $ 0 encumbrances)	13,705,838		13,705,838	21,765,644
5.	Cash ($ (49,669,051) , Schedule E - Part 1), cash equivalents ($ 291,264,999 , Schedule E - Part 2) and short-term investments ($, Schedule DA)	241,595,948		241,595,948	233,729,009
6.	Contract loans (including $ 0 premium notes)	57,690,502		57,690,502	59,545,939
7.	Derivatives (Schedule DB)	33,372		33,372	0
8.	Other invested assets (Schedule BA)	316,711,016		316,711,016	302,962,552
9.	Receivables for securities	34,247		34,247	1,836,046
10.	Securities lending reinvested collateral assets (Schedule DL)	38,215,203		38,215,203	151,787,945
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	18,124,805,252		18,124,805,252	17,976,219,818
13.	Title plants less $ charged off (for Title insurers only)				
14.	Investment income due and accrued	249,217,335		249,217,335	249,639,732
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	169,736,937	8,440,572	161,296,365	147,792,741
	15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including $ 0 earned but unbilled premiums)	430,093		430,093	461,236
	15.3 Accrued retrospective premiums				
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	68,820,350	17,818	68,802,532	85,306,394
	16.2 Funds held by or deposited with reinsured companies				
	16.3 Other amounts receivable under reinsurance contracts	31,818,799		31,818,799	27,547,576
17.	Amounts receivable relating to uninsured plans	7,656,117	166,148	7,489,969	8,381,337
18.1	Current federal and foreign income tax recoverable and interest thereon	42,488,088		42,488,088	0
18.2	Net deferred tax asset	381,854,383	212,699,717	169,154,666	166,507,864
19.	Guaranty funds receivable or on deposit	6,716,687		6,716,687	6,928,325
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets ($ 0)	3,786,827	3,786,827	0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				
24.	Health care ($ 0) and other amounts receivable	3,014,149	3,014,149	0	0
25.	Aggregate write-ins for other than invested assets	210,159,004	2,509,809	207,649,195	203,306,587
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	19,300,504,021	230,635,039	19,069,868,981	18,872,091,611
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	8,667,338		8,667,338	7,703,468
28.	Total (Lines 26 and 27)	19,309,171,359	230,635,039	19,078,536,320	18,879,795,078
	DETAILS OF WRITE-INS				
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501.	Corporate owned life insurance	188,817,579		188,817,579	182,704,039
2502.	State premium tax credits	11,034,209		11,034,209	10,814,019
2503.	Other miscellaneous assets	5,214,220	2,509,809	2,704,411	4,083,812
2598.	Summary of remaining write-ins for Line 25 from overflow page	5,092,997		5,092,997	5,704,717
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	210,159,004	2,509,809	207,649,195	203,306,587

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Aggregate reserve for life contracts $ 986,336,799 (Exh. 5, Line 9999999) less $ 0 included in Line 6.3 (including $ 0 Modco Reserve)	986,336,799	997,443,973
2.	Aggregate reserve for accident and health contracts (including $ 5,114,131,869 Modco Reserve)	8,180,937,849	8,364,249,400
3.	Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including $ 0 Modco Reserve)	614,403,253	587,781,733
4.	Contract claims:		
	4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	238,405,398	203,892,954
	4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	530,762,027	533,548,849
5.	Policyholders' dividends $ and coupons $ due and unpaid (Exhibit 4, Line 10)		
6.	Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
	6.1 Dividends apportioned for payment (including $ 0 Modco)	11,480,000	11,580,000
	6.2 Dividends not yet apportioned (including $ Modco)		
	6.3 Coupons and similar benefits (including $ Modco)		
7.	Amount provisionally held for deferred dividend policies not included in Line 6		
8.	Premiums and annuity considerations for life and accident and health contracts received in advance less $ 0 discount; including $ 25,281,431 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14)	38,264,046	36,221,013
9.	Contract liabilities not included elsewhere:		
	9.1 Surrender values on canceled contracts		
	9.2 Provision for experience rating refunds, including the liability of $ 808,318 accident and health experience rating refunds of which $ 0 is for medical loss ratio rebate per the Public Health Service Act	1,329,821	1,633,253
	9.3 Other amounts payable on reinsurance including $ 1,618,453 assumed and $ 79,194,155 ceded	80,812,608	100,242,009
	9.4 Interest maintenance reserve (IMR, Line 6)	22,655,395	33,142,465
10.	Commissions to agents due or accrued-life and annuity contracts $ 9,092,192 accident and health $ 29,353,569 and deposit-type contract funds $ 0	38,445,760	32,098,069
11.	Commissions and expense allowances payable on reinsurance assumed	21,532	0
12.	General expenses due or accrued (Exhibit 2, Line 12, Col. 6)	47,575	2,794
13.	Transfers to Separate Accounts due or accrued (net) (including $ accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14.	Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	6,368,536	9,794,468
15.1	Current federal and foreign income taxes including $ on realized capital gains (losses)	0	9,845,984
15.2	Net deferred tax liability		
16.	Unearned investment income	1,189,372	1,212,985
17.	Amounts withheld or retained by company as agent or trustee	1,184,203	1,449,095
18.	Amounts held for agents' account, including $ agents' credit balances		
19.	Remittances and items not allocated	37,207,838	48,242,505
20.	Net adjustment in assets and liabilities due to foreign exchange rates		
21.	Liability for benefits for employees and agents if not included above		
22.	Borrowed money $ and interest thereon $		
23.	Dividends to stockholders declared and unpaid		
24.	Miscellaneous liabilities:		
	24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	202,440,064	190,657,022
	24.02 Reinsurance in unauthorized and certified ($ 0) companies	585,930	8,193,722
	24.03 Funds held under reinsurance treaties with unauthorized and certified ($ 0) reinsurers	6,347,188,916	5,813,511,588
	24.04 Payable to parent, subsidiaries and affiliates	30,080,467	27,816,762
	24.05 Drafts outstanding		
	24.06 Liability for amounts held under uninsured plans	1,580,978	1,491,033
	24.07 Funds held under coinsurance		
	24.08 Derivatives	37,297,255	49,032,943
	24.09 Payable for securities	4,909,896	0
	24.10 Payable for securities lending	38,215,203	151,787,945
	24.11 Capital notes $ and interest thereon $		
25.	Aggregate write-ins for liabilities	59,851,213	83,686,377
26.	Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	17,512,001,934	17,298,558,940
27.	From Separate Accounts Statement	8,667,338	7,703,468
28.	Total Liabilities (Lines 26 and 27)	17,520,669,272	17,306,262,407
29.	Common capital stock	5,000,000	5,000,000
30.	Preferred capital stock		
31.	Aggregate write-ins for other than special surplus funds	43,628,840	56,867,361
32.	Surplus notes		
33.	Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	958,881,865	958,881,865
34.	Aggregate write-ins for special surplus funds		
35.	Unassigned funds (surplus)	550,356,343	552,783,445
36.	Less treasury stock, at cost:		
	36.1 shares common (value included in Line 29 $)		
	36.2 shares preferred (value included in Line 30 $)		
37.	Surplus (Total Lines 31+32+33+34+35-36) (including $ in Separate Accounts Statement)	1,552,867,048	1,568,532,672
38.	Totals of Lines 29, 30 and 37 (Page 4, Line 55)	1,557,867,048	1,573,532,672
39.	Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	19,078,536,320	18,879,795,079
	DETAILS OF WRITE-INS		
2501.	Unfunded commitments	12,597,868	32,302,870
2502.	Policy claims and miscellaneous liabilities - other lines	25,212,716	28,326,733
2503.	Derivative deferred gains	0	2,949,870
2598.	Summary of remaining write-ins for Line 25 from overflow page	22,040,629	20,106,904
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	59,851,213	83,686,377
3101.	Deferred gain on reinsurance transactions	43,628,840	56,867,361
3102.			
3103.			
3198.	Summary of remaining write-ins for Line 31 from overflow page		
3199.	Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	43,628,840	56,867,361
3401.			
3402.			
3403.			
3498.	Summary of remaining write-ins for Line 34 from overflow page		
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		

SUMMARY OF OPERATIONS

		1 Current Year	2 Prior Year
1.	Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	2,794,217,187	2,702,000,365
2.	Considerations for supplementary contracts with life contingencies	0	145,461
3.	Net investment income (Exhibit of Net Investment Income, Line 17)	1,080,937,340	1,092,563,655
4.	Amortization of interest maintenance reserve (IMR, Line 5)	2,874,662	2,164,742
5.	Separate Accounts net gain from operations excluding unrealized gains or losses		
6.	Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	147,172,687	234,952,402
7.	Reserve adjustments on reinsurance ceded	(482,452,808)	(395,635,136)
8.	Miscellaneous Income:		
	8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	100,336	94,485
	8.2 Charges and fees for deposit-type contracts		
	8.3 Aggregate write-ins for miscellaneous income	69,115,732	67,261,641
9.	Total (Lines 1 to 8.3)	3,611,965,136	3,703,547,616
10.	Death benefits	448,084,882	419,667,065
11.	Matured endowments (excluding guaranteed annual pure endowments)	590,287	601,681
12.	Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	16,275,942	17,337,588
13.	Disability benefits and benefits under accident and health contracts	1,238,680,547	1,201,593,252
14.	Coupons, guaranteed annual pure endowments and similar benefits		
15.	Surrender benefits and withdrawals for life contracts	7,635,340	6,037,957
16.	Group conversions	208,487	90,304
17.	Interest and adjustments on contract or deposit-type contract funds	10,328,764	9,946,393
18.	Payments on supplementary contracts with life contingencies	687,909	768,726
19.	Increase in aggregate reserves for life and accident and health contracts	(183,566,252)	(27,439,647)
20.	Totals (Lines 10 to 19)	1,538,925,905	1,628,603,319
21.	Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	380,836,613	340,764,172
22.	Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	16,639,523	17,835,575
23.	General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4)	682,808,909	662,610,103
24.	Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	95,434,164	92,643,165
25.	Increase in loading on deferred and uncollected premiums	(18,906)	(49,099)
26.	Net transfers to or (from) Separate Accounts net of reinsurance	(1,149,337)	(972,094)
27.	Aggregate write-ins for deductions	636,940,197	627,209,925
28.	Totals (Lines 20 to 27)	3,350,417,068	3,368,645,066
29.	Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	261,548,068	334,902,549
30.	Dividends to policyholders	12,204,098	10,635,427
31.	Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	249,343,969	324,267,122
32.	Federal and foreign income taxes incurred (excluding tax on capital gains)	53,288,503	99,039,859
33.	Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	196,055,466	225,227,263
34.	Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of $ 24,335,373 (excluding taxes of $ (4,098,990) transferred to the IMR)	(19,870,699)	(22,374,950)
35.	Net income (Line 33 plus Line 34)	176,184,767	202,852,314
	CAPITAL AND SURPLUS ACCOUNT		
36.	Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	1,573,532,672	1,548,784,427
37.	Net income (Line 35)	176,184,767	202,852,314
38.	Change in net unrealized capital gains (losses) less capital gains tax of $ 230,163	2,730,727	1,048,937
39.	Change in net unrealized foreign exchange capital gain (loss)	1,025,410	4,802,784
40.	Change in net deferred income tax	17,849,015	32,130,131
41.	Change in nonadmitted assets	(16,041,771)	(14,039,293)
42.	Change in liability for reinsurance in unauthorized and certified companies	7,607,792	(6,687,192)
43.	Change in reserve on account of change in valuation basis, (increase) or decrease		
44.	Change in asset valuation reserve	(11,783,042)	8,886,078
45.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)		
46.	Surplus (contributed to) withdrawn from Separate Accounts during period		
47.	Other changes in surplus in Separate Accounts Statement		
48.	Change in surplus notes		
49.	Cumulative effect of changes in accounting principles	0	31,402,894
50.	Capital changes:		
	50.1 Paid in		
	50.2 Transferred from surplus (Stock Dividend)		
	50.3 Transferred to surplus		
51.	Surplus adjustment:		
	51.1 Paid in		
	51.2 Transferred to capital (Stock Dividend)		
	51.3 Transferred from capital		
	51.4 Change in surplus as a result of reinsurance	(13,238,521)	(11,161,580)
52.	Dividends to stockholders	(180,000,000)	(225,000,000)
53.	Aggregate write-ins for gains and losses in surplus	0	513,171
54.	Net change in capital and surplus for the year (Lines 37 through 53)	(15,665,624)	24,748,245
55.	Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	1,557,867,048	1,573,532,672
	DETAILS OF WRITE-INS		
08.301.	Income from assumed modco agreements	30,535,399	30,441,113
08.302.	Income from Family Medical Leave Act administration	22,411,635	21,482,919
08.303.	Miscellaneous income	9,790,370	8,980,991
08.398.	Summary of remaining write-ins for Line 8.3 from overflow page	6,378,329	6,356,618
08.399.	Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above)	69,115,732	67,261,641
2701.	Loss from ceded modco agreements	294,356,154	307,697,482
2702.	Income transfer under funds held reinsurance	347,698,678	310,744,868
2703.	Reserve adjustment on assumed modco agreements	(2,961,192)	11,828,121
2798.	Summary of remaining write-ins for Line 27 from overflow page	(2,153,443)	(3,060,546)
2799.	Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	636,940,197	627,209,925
5301.	Change in liability for unauthorized reinsurance (P&C)	0	513,171
5302.			
5303.			
5398.	Summary of remaining write-ins for Line 53 from overflow page		
5399.	Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	0	513,171

CASH FLOW

		1 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	2,780,891,154	2,692,986,323
2.	Net investment income	1,051,203,392	1,044,972,141
3.	Miscellaneous income	203,962,466	292,775,979
4.	Total (Lines 1 through 3)	4,036,057,012	4,030,734,444
5.	Benefit and loss related payments	2,180,570,819	2,036,782,240
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(1,149,337)	(972,094)
7.	Commissions, expenses paid and aggregate write-ins for deductions	1,809,616,262	1,722,054,478
8.	Dividends paid to policyholders	12,304,098	12,835,427
9.	Federal and foreign income taxes paid (recovered) net of $ 24,547,840 tax on capital gains (losses)	125,858,958	126,531,779
10.	Total (Lines 5 through 9)	4,127,200,801	3,897,231,830
11.	Net cash from operations (Line 4 minus Line 10)	(91,143,788)	133,502,613
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	1,573,047,681	1,366,638,778
	12.2 Stocks	379	14,241,977
	12.3 Mortgage loans	111,375,004	79,997,446
	12.4 Real estate	21,785,829	2,377
	12.5 Other invested assets	18,521,144	3,598,806
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	47,717
	12.7 Miscellaneous proceeds	120,493,367	73,168
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,845,223,404	1,464,600,269
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	1,816,838,561	1,669,231,742
	13.2 Stocks		
	13.3 Mortgage loans	93,537,500	121,578,344
	13.4 Real estate	7,904,607	1,839,737
	13.5 Other invested assets	69,641,152	141,551,811
	13.6 Miscellaneous applications	951,884	61,360,997
	13.7 Total investments acquired (Lines 13.1 to 13.6)	1,988,873,703	1,995,562,630
14.	Net increase (decrease) in contract loans and premium notes	(1,855,438)	(4,221,310)
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(141,794,861)	(526,741,051)
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes		
	16.2 Capital and paid in surplus, less treasury stock		
	16.3 Borrowed funds		
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	18,610,072	22,480,989
	16.5 Dividends to stockholders	180,000,000	225,000,000
	16.6 Other cash provided (applied)	402,195,517	598,571,411
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	240,805,588	396,052,401
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	7,866,939	2,813,962
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	233,729,009	230,915,047
	19.2 End of year (Line 18 plus Line 19.1)	241,595,948	233,729,009

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001.	Bond principal accrued on Z-tranche CMO securities	6,597,711	12,745,415
20.0002.	Schedule D bonds exchanged	28,656,271	33,544,510
20.0003.	Schedule D investments in surplus notes transferred to Schedule BA	0	80,059,551
20.0004.	Schedule B mortgage loans exchanged	5,118,810	4,378,344
20.0005.	Bond principal received in the form of premium tax credits	1,334,897	2,380,923
20.0006.	Bond basis adjustment from derivative deferred gains	2,949,870	0
20.0007.	Schedule A real estate transferred to Schedule B mortgage loan	12,000,000	0
20.0008.	Schedule A real estate transfer	4,552,829	0

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	Ordinary			6	Group		Accident and Health			12
	Total	Industrial Life	3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts	Credit Life (Group and Individual)	7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts	2,794,217,187		11,140,954				648,940,850		2,129,853,054		4,282,328	
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	1,080,937,340		16,173,103	19,685	24,647,629		74,986,876	11,433,966	620,577,061		331,328,531	1,770,489
4. Amortization of Interest Maintenance Reserve (IMR)	2,874,662		43,011	52	65,548		199,421	30,408	1,650,372		881,140	4,708
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	147,172,687		203,922				69,567,126		(10,307,983)		87,709,623	
7. Reserve adjustments on reinsurance ceded	(482,452,808)								(406,240,671)		(76,212,137)	
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	100,336							100,336				
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	69,115,732		63,679		41		1,756,277	4,700	36,475,135		30,552,901	263,000
9. Totals (Lines 1 to 8.3)	3,611,965,136		27,624,668	19,738	24,713,218		795,450,551	11,569,409	2,372,006,968		378,542,385	2,038,198
10. Death benefits	448,084,882		21,035,785				427,049,096					
11. Matured endowments (excluding guaranteed annual pure endowments)	590,287		590,287									
12. Annuity benefits	16,275,942							16,275,942				
13. Disability benefits and benefits under accident and health contracts	1,238,680,547		90,220				599,141		1,234,926,713		3,064,472	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	7,635,340		7,212,947				422,393					
16. Group conversions	208,487		(10,650,990)				10,551,735		(5,365)		313,107	
17. Interest and adjustments on contract or deposit-type contract funds	10,328,764		2,407,551		5,031,144		1,622,069	1,148,784	(8,756)		127,972	
18. Payments on supplementary contracts with life contingencies	687,909				102,982		584,927					
19. Increase in aggregate reserves for life and accident and health contracts	(183,566,252)		(4,238,036)	(1,304)	(54,941)		2,987,092	(9,799,984)	(100,533,264)		(71,925,814)	
20. Totals (Lines 10 to 19)	1,538,925,905		16,447,764	(1,304)	5,079,185		443,816,453	7,624,741	1,134,379,329		(68,420,263)	
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	380,836,613		739,683				93,701,499		259,333,478		27,061,954	
22. Commissions and expense allowances on reinsurance assumed	16,639,523						35,215		2,097,778		14,506,530	
23. General insurance expenses	682,808,909		42,545		95,842		147,456,333	161,928	499,452,231		35,600,030	
24. Insurance taxes, licenses and fees, excluding federal income taxes	95,434,164		236,409				28,235,478	9,823	62,760,606		4,191,848	
25. Increase in loading on deferred and uncollected premiums	(18,906)		(18,906)									
26. Net transfers to or (from) Separate Accounts net of reinsurance	(1,149,337)							(1,149,337)				
27. Aggregate write-ins for deductions	636,940,197		2				142		299,138,632		339,955,913	(2,154,491)
28. Totals (Lines 20 to 27)	3,350,417,068		17,447,496	(1,304)	5,175,027		713,245,120	6,647,156	2,257,162,053		352,896,012	(2,154,491)
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	261,548,068		10,177,172	21,042	19,538,192		82,205,430	4,922,253	114,844,915		25,646,373	4,192,689
30. Dividends to policyholders	12,204,098		12,204,098									
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	249,343,969		(2,026,926)	21,042	19,538,192		82,205,430	4,922,253	114,844,915		25,646,373	4,192,689
32. Federal income taxes incurred (excluding tax on capital gains)	53,288,503		(1,033,111)	8,334	6,699,300		29,610,567	1,182,941	27,752,741		(11,244,789)	312,520
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	196,055,466		(993,815)	12,708	12,838,892		52,594,863	3,739,312	87,092,174		36,891,162	3,880,169
DETAILS OF WRITE-INS												
08.301. Income from assumed modco agreements	30,535,399										30,535,399	
08.302. Income from Family Medical Leave Act administration	22,411,635								22,411,635			
08.303. Miscellaneous income	9,790,370		63,652				1,756,153	4,681	7,948,930		16,954	
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	6,378,329		27		41		124	19	6,114,569		548	263,000
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	69,115,732		63,679		41		1,756,277	4,700	36,475,135		30,552,901	263,000
2701. Loss from ceded modco agreements	294,356,154								138,766,180		155,589,974	
2702. Income transfer under funds held reinsurance	347,698,678								160,364,888		187,333,790	
2703. Reserve adjustment on assumed modco agreements	(2,961,192)								6,714		(2,967,906)	
2798. Summary of remaining write-ins for Line 27 from overflow page	(2,153,443)		2				142		850		55	(2,154,491)
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	636,940,197		2				142		299,138,632		339,955,913	(2,154,491)

(a) Includes the following amounts for FEGLI/SGLI: Line 1 ......, Line 10 ......, Line 16 ......, Line 23 ......, Line 24 ......

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1	2	Ordinary			6	Group	
			3	4	5		7	8
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	997,443,972		235,468,658	33,708	469,094		652,262,753	109,209,759
2. Tabular net premiums or considerations	12,423,535		12,320,985				102,550	
3. Present value of disability claims incurred	158,259,298				XXX		158,259,298	
4. Tabular interest	42,581,694		6,321,990	1,051	33,122		29,149,512	7,076,019
5. Tabular less actual reserve released	(181,622,220)		(14,150)		14,919		(181,195,603)	(427,386)
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)	(567,341)		(363,231)				(204,110)	
8. Totals (Lines 1 to 7)	1,028,518,938		253,734,252	34,759	517,135		658,374,400	115,858,392
9. Tabular cost	8,157,321		6,939,566		XXX		1,217,755	
10. Reserves released by death	5,811,584		5,713,585	XXX	XXX		97,999	XXX
11. Reserves released by other terminations (net)	10,560,022		9,760,259	2,355			624,733	172,675
12. Annuity, supplementary contract and disability payments involving life contingencies	17,653,212		90,220		102,982		1,184,068	16,275,942
13. Net transfers to or (from) Separate Accounts								
14. Total Deductions (Lines 9 to 13)	42,182,139		22,503,630	2,355	102,982		3,124,555	16,448,617
15. Reserve December 31, current year	986,336,799		231,230,622	32,404	414,153		655,249,845	99,409,775

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 27,653,850	27,473,099
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 1,030,983,915	1,031,054,785
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b) 694,500	694,500
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates	6,400,000	6,400,000
3.	Mortgage loans	(c) 51,403,290	51,148,195
4.	Real estate	(d) 19,597,112	19,597,112
5	Contract loans	3,085,275	3,100,117
6	Cash, cash equivalents and short-term investments	(e) 698,156	683,968
7	Derivative instruments	(f) (1,129,872)	(1,164,295)
8.	Other invested assets	(4,965,190)	(4,965,190)
9.	Aggregate write-ins for investment income	2,266,682	2,266,682
10.	Total gross investment income	1,136,687,718	1,136,288,973
11.	Investment expenses		(g) 47,098,339
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 3,977,394
13.	Interest expense		(h) 49,480
14.	Depreciation on real estate and other invested assets		(i) 4,183,314
15.	Aggregate write-ins for deductions from investment income		43,106
16.	Total deductions (Lines 11 through 15)		55,351,633
17.	Net investment income (Line 10 minus Line 16)		1,080,937,340
	DETAILS OF WRITE-INS		
0901.	Bond Consent and Other Fees	2,060,352	2,060,352
0902.	Securities Lending	238,494	238,494
0903.	Short Term Notes to Affiliates	18,392	18,392
0998.	Summary of remaining write-ins for Line 9 from overflow page	(50,556)	(50,556)
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	2,266,682	2,266,682
1501.	Interest Paid on Securities Lending		43,106
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		43,106

(a) Includes $ 68,954,784 accrual of discount less $ 16,376,714 amortization of premium and less $ 5,302,348 paid for accrued interest on purchases.

(b) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued dividends on purchases.

(c) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.

(d) Includes $ 13,893,197 for company's occupancy of its own buildings; and excludes $ 0 interest on encumbrances.

(e) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.

(f) Includes $ .... accrual of discount less $ .... amortization of premium.

(g) Includes $ .... investment expenses and $ .... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes $ .... interest on surplus notes and $ .... interest on capital notes.

(i) Includes $ 4,183,314 depreciation on real estate and $ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds					
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)	(11,855,845)	(220,554)	(12,076,399)		(11,167,028)
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)	379		379	19,508	
2.21	Common stocks of affiliates				2,303,282	
3.	Mortgage loans					
4.	Real estate	4,620,365		4,620,365		
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					(34,301)
7.	Derivative instruments				(292,931)	12,256,818
8.	Other invested assets				931,031	
9.	Aggregate write-ins for capital gains (losses)		208,930	208,930		(30,079)
10.	Total capital gains (losses)	(7,235,101)	(11,624)	(7,246,725)	2,960,890	1,025,410
	DETAILS OF WRITE-INS					
0901.	Proceeds from Securities Litigation		208,506	208,506		
0902.	Miscellaneous		424	424		
0903.	Reinsurance - Non-Affiliates					(30,079)
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)		208,930	208,930		(30,079)

EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
FIRST YEAR (other than single)											
1. Uncollected	16,731		16,731								
2. Deferred and accrued	114,601		114,601								
3. Deferred , accrued and uncollected:											
3.1 Direct	131,331		131,331								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net (Line 1 + Line 2)	131,331		131,331								
4. Advance	744		744								
5. Line 3.4 - Line 4	130,587		130,587								
6. Collected during year:											
6.1 Direct	880,647		880,647								
6.2 Reinsurance assumed											
6.3 Reinsurance ceded											
6.4 Net	880,647		880,647								
7. Line 5 + Line 6.4	1,011,233		1,011,233								
8. Prior year (uncollected + deferred and accrued - advance)	159,151		159,151								
9. First year premiums and considerations:											
9.1 Direct	852,083		852,083								
9.2 Reinsurance assumed											
9.3 Reinsurance ceded											
9.4 Net (Line 7 - Line 8)	852,083		852,083								
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	6,992,268		6,992,268								
10.2 Reinsurance assumed											
10.3 Reinsurance ceded											
10.4 Net	6,992,268		6,992,268								
RENEWAL											
11. Uncollected	169,766,275		146,625	1,777		54,746,287		112,340,041		2,531,545	
12. Deferred and accrued	15,154,792		562,948	730		1,076,240		14,840,765		(1,650,643)	324,752
13. Deferred, accrued and uncollected:											
13.1 Direct	181,880,436		2,456,116	2,507		54,642,111		118,000,843		6,778,860	
13.2 Reinsurance assumed	18,738,868							15,684,682		1,306,257	1,747,928
13.3 Reinsurance ceded	15,698,237		1,746,543			(1,180,416)		6,504,719		7,204,215	1,423,176
13.4 Net (Line 11 + Line 12)	184,921,067		709,572	2,507		55,822,527		127,180,806		880,902	324,752
14. Advance	38,263,302		48,573			12,933,298		21,298,873		3,982,559	
15. Line 13.4 - Line 14	146,657,765		660,999	2,507		42,889,230		105,881,934		(3,101,657)	324,752
16. Collected during year:											
16.1 Direct	3,951,974,834		13,128,332	56,190		1,163,578,096		2,423,273,096		351,939,121	
16.2 Reinsurance assumed	75,418,296					2,952		20,251,756		54,900,416	263,173
16.3 Reinsurance ceded	1,254,374,546		9,795,395	56,190		513,532,843		327,599,812		403,127,478	262,829
16.4 Net	2,773,018,584		3,332,936			650,048,205		2,115,925,040		3,712,059	344
17. Line 15 + Line 16.4	2,919,676,348		3,993,935	2,507		692,937,434		2,221,806,974		610,402	325,096
18. Prior year (uncollected + deferred and accrued - advance)	133,136,670		697,332	2,507		43,996,584		91,953,920		(3,671,926)	158,254
19. Renewal premiums and considerations:											
19.1 Direct	3,964,326,566		12,964,455	56,190		1,162,521,671		2,436,472,753		352,311,497	
19.2 Reinsurance assumed	74,423,865					2,952		19,986,201		54,401,058	33,654
19.3 Reinsurance ceded	1,252,210,753		9,667,852	56,190		513,583,773		326,605,900		402,430,227	(133,188)
19.4 Net (Line 17 - Line 18)	2,786,539,678		3,296,604			648,940,850		2,129,853,054		4,282,328	166,842
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	3,972,170,916		20,808,806	56,190		1,162,521,671		2,436,472,753		352,311,497	
20.2 Reinsurance assumed	74,423,865					2,952		19,986,201		54,401,058	33,654
20.3 Reinsurance ceded	1,252,210,753		9,667,852	56,190		513,583,773		326,605,900		402,430,227	(133,188)
20.4 Net (Lines 9.4 + 10.4 + 19.4)	2,794,384,029		11,140,954			648,940,850		2,129,853,054		4,282,328	166,842

Prior year balance in line 18, columns 1 and 8 decreased $156 due to foreign currency translation.

EXHIBIT - 1 PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums	1,680,618		1,680,618								
22. All other	6,353,251		6,353,251								
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded											
23.2 Reinsurance assumed											
23.3 Net ceded less assumed											
24. Single:											
24.1 Reinsurance ceded											
24.2 Reinsurance assumed											
24.3 Net ceded less assumed											
25. Renewal:											
25.1 Reinsurance ceded	147,172,687		203,922			69,567,126		(10,307,983)		87,709,623	
25.2 Reinsurance assumed	16,639,523					35,215		2,097,778		14,506,530	
25.3 Net ceded less assumed	130,533,164		203,922			69,531,911		(12,405,761)		73,203,093	
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	147,172,687		203,922			69,567,126		(10,307,983)		87,709,623	
26.2 Reinsurance assumed (Page 6, Line 22)	16,639,523					35,215		2,097,778		14,506,530	
26.3 Net ceded less assumed	130,533,164		203,922			69,531,911		(12,405,761)		73,203,093	
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	6,434		6,434								
28. Single	752,607		752,607								
29. Renewal	380,077,573		(19,358)			93,701,499		259,333,478		27,061,954	
30. Deposit-type contract funds											
31. Totals (to agree with Page 6, Line 21)	380,836,613		739,683			93,701,499		259,333,478		27,061,954	

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6
	1	Accident and Health		4		
		2	3	All Other Lines of		
	Life	Cost Containment	All Other	Business	Investment	Total
1. Rent	8,461,930		33,697,309		988,750	43,147,988
2. Salaries and wages	88,058,458	52,525,554	298,266,456		26,615,514	465,465,983
3.11 Contributions for benefit plans for employees	15,741,397	8,573,081	54,112,706		2,760,537	81,187,722
3.12 Contributions for benefit plans for agents						
3.21 Payments to employees under non-funded benefit plans						
3.22 Payments to agents under non-funded benefit plans						
3.31 Other employee welfare	339,099	1,907	1,348,463		41,903	1,731,372
3.32 Other agent welfare						
4.1 Legal fees and expenses	1,724,348	85,457	572,216		779,387	3,161,409
4.2 Medical examination fees	203,066		806,780			1,009,845
4.3 Inspection report fees	9		36			45
4.4 Fees of public accountants and consulting actuaries	1,220,828	10,828	4,850,785		332,234	6,414,676
4.5 Expense of investigation and settlement of policy claims	2,251,068	14,198,150				16,449,217
5.1 Traveling expenses	2,988,649	270,397	11,631,140		806,647	15,696,833
5.2 Advertising	530,581	781	2,112,110		23,697	2,667,169
5.3 Postage, express, telegraph and telephone	2,449,017	143,691	9,608,846		197,293	12,398,846
5.4 Printing and stationery	844,103	2,601	3,358,809		50,612	4,256,124
5.5 Cost or depreciation of furniture and equipment	1,320,303		5,257,745		259,292	6,837,341
5.6 Rental of equipment	1,973,587		7,859,266		315,372	10,148,225
5.7 Cost or depreciation of EDP equipment and software	5,168,987		20,584,070		483,821	26,236,878
6.1 Books and periodicals	187,554	9,962	736,920		2,466,652	3,401,088
6.2 Bureau and association fees	267,897	60,063	1,006,763		236,013	1,570,736
6.3 Insurance, except on real estate	893,012		3,556,175		131,090	4,580,277
6.4 Miscellaneous losses	138,755		545,316		889	684,960
6.5 Collection and bank service charges	995,914		3,965,953		688,432	5,650,298
6.6 Sundry general expenses	1,902,707	77,965	7,499,053		272,573	9,752,298
6.7 Group service and administration fees	27,384		853,142			880,526
6.8 Reimbursements by uninsured plans			(53,247,978)			(53,247,978)
7.1 Agency expense allowance						
7.2 Agents' balances charged off (less $ .... recovered)	4,474		2,371			6,845
7.3 Agency conferences other than local meetings	117,202		466,665		254,528	838,395
9.1 Real estate expenses					4,911,294	4,911,294
9.2 Investment expenses not included elsewhere						
9.3 Aggregate write-ins for expenses	9,946,319	4,333,799	35,306,910		4,481,807	54,068,834
10. General expenses incurred	147,756,647	80,294,236	454,758,026		47,098,339	(a) 729,907,249
11. General expenses unpaid December 31, prior year	603		2,191			2,794
12. General expenses unpaid December 31, current year	10,295		37,280			47,575
13. Amounts receivable relating to uninsured plans, prior year			8,473,027			8,473,027
14. Amounts receivable relating to uninsured plans, current year			7,656,117			7,656,117
15. General expenses paid during year (Lines 10+11-12-13+14)	147,746,956	80,294,236	453,906,026		47,098,339	729,045,557
DETAILS OF WRITE-INS						
09.301. Fees for outsourcing services	5,539,018	4,333,799	17,756,044		1,507,379	29,136,240
09.302. Repairs and maintenance	4,407,301		17,550,866		2,974,427	24,932,594
09.303.						
09.398. Summary of remaining write-ins for Line 9.3 from overflow page						
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	9,946,319	4,333,799	35,306,910		4,481,807	54,068,834

(a) Includes management fees of $ 726,332,557 to affiliates and $ 837 to non-affiliates.

EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)

	Insurance			4	5
	1	2	3		
			All Other Lines of		
	Life	Accident and Health	Business	Investment	Total
1. Real estate taxes				2,727,993	2,727,993
2. State insurance department licenses and fees	1,283,912	4,060,866			5,344,778
3. State taxes on premiums	19,846,439	35,566,022			55,412,461
4. Other state taxes, including $ .... for employee benefits	380,115	1,193,773			1,573,888
5. U.S. Social Security taxes	5,813,287	23,388,858		1,249,401	30,451,546
6. All other taxes	1,157,957	2,742,935			3,900,892
7. Taxes, licenses and fees incurred	28,481,710	66,952,454		3,977,394	99,411,558
8. Taxes, licenses and fees unpaid December 31, prior year	2,863,787	6,930,680			9,794,468
9. Taxes, licenses and fees unpaid December 31, current year	1,880,606	4,487,930			6,368,536
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	29,464,891	69,395,205		3,977,394	102,837,490

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2
	Life	Accident and Health
1. Applied to pay renewal premiums	1,680,618	
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions	6,353,251	
4. Applied to provide paid-up annuities		
5. Total Lines 1 through 4	8,033,869	
6. Paid in cash	2,428,717	
7. Left on deposit	1,841,513	
8. Aggregate write-ins for dividend or refund options		
9. Total Lines 5 through 8	12,304,099	
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year	11,480,000	
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included in Line 13		
15. Total Lines 10 through 14	11,480,000	
16. Total from prior year	11,580,000	
17. Total dividends or refunds (Lines 9 + 15 - 16)	12,204,099	
DETAILS OF WRITE-INS		
0801.		
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page		
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)		

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
LIFE INSURANCE:					
0100001. AE 3% NLP ANB 24-97	2,957,998		2,957,998		
0100002. AE 3-1/2% NLP ANB 30-41	118,468		118,468		
0100003. 1941 CSO 2-1/2% NLP 48-77	39,016,351		39,016,351		
0100004. 1958 CET 2-1/2% NLP 64-79	15,458		15,458		
0100005. 1958 CET 3-1/2% NLP ALB 70-89	251,703		251,703		
0100006. 1958 CET 3-1/2% NLP ANB 75-88	2,386		2,386		
0100007. 1958 CET 4% NLP ANB 76-88	138,271		138,271		
0100008. 1958 CSO 2-1/2% NLP 56-85	127,441,673		127,441,673		
0100009. 1958 CSO 3% CRVM ANB 66-89	129,639		129,639		
0100010. 1958 CSO 3% NLP ALB 69-88	98,066		98,066		
0100011. 1958 CSO 3% NLP ANB 67-88	8,683		8,683		
0100012. 1958 CSO 3-1/2% CRVM ALB 72-88	1,643,148		1,643,148		
0100013. 1958 CSO 3-1/2% CRVM ANB 74-91	145,619		145,619		
0100014. 1958 CSO 3-1/2% NLP ALB 70-89	7,036,777		7,036,777		
0100015. 1958 CSO 3-1/2% NLP ANB 74-95	1,664,293		1,664,293		
0100016. 1958 CSO 3-1/2%/20/2-1/2% NLP 68-81	27,224,918		27,224,918		
0100017. 1958 CSO 4% CRVM ALB 77	3,434,188				3,434,188
0100018. 1958 CSO 4% CRVM ANB 76-88	438,110		438,110		
0100019. 1958 CSO 4% NLP 71-83	3,345		3,345		
0100020. 1958 CSO 4% NLP ANB 76-88	5,678		5,678		
0100021. 1958 CSO 4-1/2% CRVM ALB 79-91	38,528,834		38,528,834		
0100022. 1958 CSO 4-1/2% CRVM ANB	885		885		
0100023. 1958 CSO 4-1/2% NLP ANB 83-88	46		46		
0100024. 1958 CSO 4-1/2%/20/3 1/2% NLP 81-82	242,112		242,112		
0100025. 1958 CSO 5-1/2% CRVM ALB 87-93	844,740		844,740		
0100026. 1958 CSO 6% CRVM ALB 83-94	37,768,711		37,768,711		
0100027. 1958 CSG 5% CRVM ALB	777,082				777,082
0100028. 1980 CET 4% NL ALB 88-05	10,645,705		59,544		10,586,161
0100029. 1980 CET 4-1/2% NLP ALB 79-05	496,690		496,690		
0100030. 1980 CET 4-1/2% NLP ANB 95-96	49,264		49,264		
0100031. 1980 CET 5% NLP ANB 93-94	18,391		18,391		
0100032. 1980 CET 5-1/2% NLP ANB 89-92	33,794		33,794		
0100033. 1980 CSO 3% CRVM ALB 62-90	517,370				517,370
0100034. 1980 CSO 6% CRVM ALB 85-86	70,731		70,731		
0100035. 1980 CSO 5-1/2% CRVM ALB 87-92	1,258,782		1,258,782		
0100036. 1980 CSO 5-1/2% CRVM ANB 87-92	2,331,215		2,331,215		
0100037. 1980 CSO 5-1/2% NLP ANB 89-91	53,170		53,170		
0100038. 1980 CSO 4-1/2% CRVM ALB 87-2002	35,725,673		34,163,661		1,562,012
0100039. 1980 CSO 4-1/2% CRVM ANB 89-96	1,974,283		1,974,283		
0100040. 1980 CSO 4-1/2% NLP ALB 86-02	383,581		383,581		
0100041. 1980 CSO 4-1/2% NLP ANB 95-96	15,045		15,045		
0100042. 1980 CSO 5% CRVM ALB 91-02	1,937,706		363,209		1,574,497
0100043. 1980 CSO 5% CRVM ANB 93-94	2,239,743		2,239,743		
0100044. 1980 CSO 5% NLP ANB 93	37,810		37,810		
0100045. 1980 CSO 4% CRVM ALB 98-08	4,096,641		4,096,641		
0100046. 2001 CSO 4% CRVM ALB 08-12	2,574,140		2,574,140		
0100047. 2001 CSO 4% NLP ALB 08-12	22,920		22,920		
0100048. 2001 CSO 3-1/2% NLP ALB NB	91,317		91,317		
0100049. Excess Mortality Reserve	10,059,818		10,059,818		
0100050. Unearned Premium	5,813,639		20,383		5,793,256
0100051. Unearned Premium MAT	7,841				7,841
0100052. Substandard Extra Reserve	2,678		2,678		
0199997. Totals (Gross)	370,395,129		346,142,722		24,252,407
0199998. Reinsurance ceded	115,666,249		115,658,408		7,841
0199999. Life Insurance: Totals (Net)	254,728,880		230,484,314		24,244,566
ANNUITIES (excluding supplementary contracts with life contingencies):					
0200001. FPDA 3.50%	360,771	XXX	360,771	XXX	
0200002. FPDA 4.00%	8,399,312	XXX	8,399,312	XXX	
0200003. FPDA 4.50%	922,930	XXX	922,930	XXX	
0200004. FPDA 5.25%	3,812	XXX	3,812	XXX	
0200005. SPDA 3.50%	11,351,384	XXX	11,351,384	XXX	
0200006. SPDA 4.00%	216,810	XXX	216,810	XXX	
0200007. 1971 IAM 6.00%	2,824	XXX	2,824	XXX	
0200008. 1971 IAM 6.50%	63,983	XXX	63,983	XXX	
0200009. 1971 IAM 7.25%	41,364	XXX	41,364	XXX	
0200010. 1971 IAM 7.50%	10,158	XXX	10,158	XXX	
0200011. 1971 IAM 7.75%	113,681	XXX	113,681	XXX	
0200012. 1971 IAM 8.25%	47,469	XXX	47,469	XXX	
0200013. 1983 -a 11.00%	21,427	XXX	21,427	XXX	
0200014. 1983 -a 6.63%	157,724	XXX	157,724	XXX	
0200015. 1983 -a 6.25%	31,248	XXX	31,248	XXX	
0200016. 1983 -a 8.25%	156,298	XXX	156,298	XXX	
0200017. 1983 -a 8.75%	10,094	XXX	10,094	XXX	
0200018. a-2000 7.00%	17,808	XXX	17,808	XXX	
0200019. 1951 GAM 3.50%; Imm	552,569	XXX	1,156	XXX	551,413
0200020. 1971 GAM 6.65%; Imm & Def	10,799,019	XXX		XXX	10,799,019
0200021. 1971 GAM 6.90%; Imm & Def	1,024,724	XXX		XXX	1,024,724
0200022. 1971 GAM 8.90%; Imm & Def	5,493,807	XXX		XXX	5,493,807
0200023. 1971 GAM 9.90%; Imm	2,480,684	XXX		XXX	2,480,684
0200024. 1971 GAM 10.40%; Imm	3,990,064	XXX		XXX	3,990,064
0200025. 1983 GAM 4.90%; Imm & Def	123,553	XXX		XXX	123,553
0200026. 1983 GAM 5.15%; Imm & Def	838,375	XXX		XXX	838,375
0200027. 1983 GAM 5.40%; Imm & Def	947,736	XXX		XXX	947,736
0200028. 1983 GAM 5.65%; Imm & Def	6,902,042	XXX		XXX	6,902,042
0200029. 1983 GAM 5.90%; Imm & Def	6,599,746	XXX		XXX	6,599,746
0200030. 1983 GAM 6.15%; Def	6,395,064	XXX		XXX	6,395,064
0200031. 1983 GAM 6.40%; Imm & Def	11,807,433	XXX		XXX	11,807,433
0200032. 1983 GAM 6.65%; Imm & Def	3,442,046	XXX		XXX	3,442,046
0200033. 1983 GAM 6.90%; Imm	7,919,299	XXX		XXX	7,919,299
0200034. 1983 GAM 7.15%; Imm	4,369,889	XXX		XXX	4,369,889

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0200035. 1983 GAM 7.40%; Imm	9,057,798	XXX		XXX	9,057,798
0200036. 1983 GAM 7.65%; Imm	361,069	XXX		XXX	361,069
0200037. 1983 GAM 7.90%; Imm	6,386,532	XXX		XXX	6,386,532
0200038. 1983 GAM 8.40%; Imm	2,453,146	XXX		XXX	2,453,146
0200039. 1983 GAM 8.65%; Imm & Def	3,629,216	XXX		XXX	3,629,216
0200040. 1983 GAM 9.65%; Imm	958,006	XXX		XXX	958,006
0200041. 1983 GAM 10.15%; Imm	2,879,115	XXX		XXX	2,879,115
0299997. Totals (Gross)	121,340,028	XXX	21,930,253	XXX	99,409,775
0299998. Reinsurance ceded	21,897,849	XXX	21,897,849	XXX	
0299999. Annuities: Totals (Net)	99,442,179	XXX	32,404	XXX	99,409,775
SUPPLEMENTARY CONTRACTS WITH LIFE CONTINGENCIES:					
0300001. 1937 SA 6.00%	502		502		
0300002. a- 1949 6.00%	24,232		24,232		
0300003. 71 IAM 6.00%	146,596		146,596		
0300004. 71 IAM 6.50%	52,471		52,471		
0300005. 71 IAM 6.63%	10,151		10,151		
0300006. 71 IAM 6.99%	7,429		7,429		
0300007. 71 IAM 7.50%	7,192		7,192		
0300008. 71 IAM 8.25%	29,899		29,899		
0300009. 71 IAM 8.75%	23,428		23,428		
0300010. 71 IAM 9.25%	5,258		5,258		
0300011. 71 IAM 10.00%	441		441		
0300012. 71 IAM 11.00%	65,199		65,199		
0300013. 83a 11.25%	775		775		
0300014. 83a 11.00%	25,462		25,462		
0300015. 83a 9.25%	10,500		10,500		
0300016. 83a 8.75%	16,737		16,737		
0300017. 83a 8.25%	72,175		72,175		
0300018. 83a 8.00%	620		620		
0300019. 83a 7.75%	39,099		39,099		
0300020. 83a 7.25%	48,041		48,041		
0300021. 83a 7.00%	23,757		23,757		
0300022. 83a 6.75%	26,996		26,996		
0300023. 83a 6.25%	249,919		249,919		
0300024. 2000a 4.25%	221,835		221,835		
0300025. 2000a 5.25%	115,598		115,598		
0300026. 2000a 5.50%	434,892		434,892		
0300027. 2000a 6.00%	139,038		139,038		
0300028. 2000a 6.50%	129,088		129,088		
0300029. 2000a 6.75%	27,754		27,754		
0300030. 2000a 7.00%	228,545		228,545		
0300031. 51 GAM 3.50%	502,628				502,628
0300032. 83 GAM 6.00%	2,107,443				2,107,443
0399997. Totals (Gross)	4,793,700		2,183,629		2,610,071
0399998. Reinsurance ceded	1,769,476		1,769,476		
0399999. SCWLC: Totals (Net)	3,024,224		414,153		2,610,071
ACCIDENTAL DEATH BENEFITS:					
0400001. 1959 ADB TABLE 3% WITH 1958 CSO	4,547		4,547		
0400002. 1959 ADB TABLE 4-1/2% WITH 1958 CSO	173		173		
0400003. INTERCO DISABILITY 2-1/2%	8,736		8,736		
0400004. 52 INTERCO DISABILITY 2-1/2%	37,833		37,833		
0499997. Totals (Gross)	51,289		51,289		
0499998. Reinsurance ceded	4,719		4,719		
0499999. Accidental Death Benefits: Totals (Net)	46,570		46,570		
DISABILITY-ACTIVE LIVES:					
0500001. 26 CLASS (3) 2 1/2 % 48-54	45		45		
0500002. 52 INTERCO DISA 41 CSO 2 1/2% 55-64	1,815		1,815		
0500003. 52 INTERCO DISA 58 CSO 2 1/2% 64-80	66,780		66,780		
0500004. 52 INTERCO DI PERIOD 2 BEN 5 1958 CSO 3-1/2%	3,689		3,689		
0500005. 52 INTERCO DI PERIOD 2 BEN 5 1980 CSO 3-1/2%	434		434		
0500006. 1952 DISABILITY STUDY 3% WITH 1958 CSO	9,653		9,653		
0599997. Totals (Gross)	82,416		82,416		
0599998. Reinsurance ceded	13,776		13,776		
0599999. Disability-Active Lives: Totals (Net)	68,640		68,640		
DISABILITY-DISABLED LIVES:					
0600001. 52 INTERCO DISABILITY 3 1/2%	459,019		459,019		
0600002. 52 INTERCO DISABILITY 3 %	47,532		47,532		
0600003. 52 INTERCO DISABILITY - 58 CSO 3%	1,816,652		1,816,652		
0600004. 2005 GTLW 4.0% MODIFIED FOR CO EXPERIENCE	333,560,165				333,560,165
0600005. 2005 GTLW 4.5% MODIFIED FOR CO EXPERIENCE	136,642,192		97,758		136,544,434
0600006. 2005 GTLW 3.5% MODIFIED FOR CO EXPERIENCE	158,696,142				158,696,142
0699997. Totals (Gross)	631,221,702		2,420,961		628,800,741
0699998. Reinsurance ceded	2,269,717		1,864,184		405,533
0699999. Disability-Disabled Lives: Totals (Net)	628,951,985		556,777		628,395,208
MISCELLANEOUS RESERVES:					
0700001. For excess of valuation net premiums over corresponding gross premiums on respective policies, computed according to the standard of valuation required by this state.	546,848		546,848		
0700002. For non-deduction of deferred fractional premiums or return of premiums at the death of the insured.	245,666		245,666		
0799997. Totals (Gross)	792,514		792,514		
0799998. Reinsurance ceded	718,192		718,192		
0799999. Miscellaneous Reserves: Totals (Net)	74,322		74,322		
9999999. Totals (Net) - Page 3, Line 1	986,336,800		231,677,180		754,659,620

EXHIBIT 5 - INTERROGATORIES

1.1 Has the reporting entity ever issued both participating and non-participating contracts? Yes [X] No [ ]
1.2 If not, state which kind is issued.

2.1 Does the reporting entity at present issue both participating and non-participating contracts? Yes [ ] No [X]
2.2 If not, state which kind is issued.
Non-participating

3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements? Yes [X] No [ ]
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.

4. Has the reporting entity any assessment or stipulated premium contracts in force? Yes [ ] No [X]
If so, state:
4.1 Amount of insurance? $
4.2 Amount of reserve? $
4.3 Basis of reserve:

4.4 Basis of regular assessments:

4.5 Basis of special assessments:

4.6 Assessments collected during the year $

5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.

6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? Yes [ ] No [X]
6.1 If so, state the amount of reserve on such contracts on the basis actually held: $
6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: $
Attach statement of methods employed in their valuation.

7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? Yes [ ] No [X]
7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements $
7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount:

7.3 State the amount of reserves established for this business: $
7.4 Identify where the reserves are reported in the blank:

8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year? Yes [ ] No [X]
8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements: $
8.2 State the amount of reserves established for this business: $
8.3 Identify where the reserves are reported in the blank:

9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year? Yes [ ] No [X]
9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders: $
9.2 State the amount of reserves established for this business: $
9.3 Identify where the reserves are reported in the blank:

EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR

1	Valuation Basis		4
Description of Valuation Class	2 Changed From	3 Changed To	Increase in Actuarial Reserve Due to Change
9999999 - Total (Column 4, only)			

NONE

EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts 5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves	78,693,380	14,854,365		302,786	11,193,561	52,122,254	219,115	1,261	38
2. Additional contract reserves (a)	5,461,369,207	2,348,339,147			170,901,233	2,938,246,065	3,874,257	8,505	
3. Additional actuarial reserves-Asset/Liability analysis									
4. Reserve for future contingent benefits									
5. Reserve for rate credits									
6. Aggregate write-ins for reserves									
7. Totals (Gross)	5,540,062,588	2,363,193,512		302,786	182,094,794	2,990,368,319	4,093,372	9,766	38
8. Reinsurance ceded	5,297,978,113	2,347,094,301		302,786	1,800,460	2,948,561,319	209,443	9,766	38
9. Totals (Net)	242,084,474	16,099,211			180,294,334	41,807,000	3,883,929		
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	9,259,870,861	6,596,806,100		45,521,668	1,864,118,696	751,262,231	2,162,166		
11. Additional actuarial reserves-Asset/Liability analysis									
12. Reserve for future contingent benefits									
13. Aggregate write-ins for reserves	193,198,545	160,180,434		289,651	22,059,610	10,668,850			
14. Totals (Gross)	9,453,069,406	6,756,986,534		45,811,319	1,886,178,306	761,931,081	2,162,166		
15. Reinsurance ceded	1,514,216,031	708,242,095		37,805,191	86,283,078	681,829,877	55,789		
16. Totals (Net)	7,938,853,375	6,048,744,439		8,006,128	1,799,895,228	80,101,204	2,106,377		
17. TOTAL (Net)	8,180,937,849	6,064,843,650		8,006,128	1,980,189,562	121,908,204	5,990,306		
18. TABULAR FUND INTEREST	376,938,255	261,665,041		531,669	108,749,092	5,696,596	295,857		
DETAILS OF WRITE-INS									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page									
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above)									
1301. Unpaid Loss Adjustment Expense	193,198,545	160,180,434		289,651	22,059,610	10,668,850			
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page									
1399. TOTALS (Lines 1301 thru 1303 plus 1398) (Line 13 above)	193,198,545	160,180,434		289,651	22,059,610	10,668,850			

(a) Attach statement as to valuation standard used in calculating this reserve, specifying reserve bases, interest rates and methods.

EXHIBIT 6 – ATTACHMENT

(a) RESERVE BASIS, INTEREST RATES AND METHODS – EXHIBIT 6, LINE 2

1) Long-Term Care Benefits

Method
One year preliminary term method. All additional reserves are mid-terminal.

The assumptions are based on the Company's experience with the exceptions of

a) the interest rate assumption is based on the effective date of coverage and is equal to the whole life rate as specified in the Standard Valuation Law

(2) Loss of Time Benefits

Method
Two year preliminary term method. All additional reserves are mid-terminal.

Basis
Reserves for 1988 and prior issues are based on claim costs taken from the 1964 Commissioners Disability Table (CDT) combined with the 1958 CSO Mortality Table. Reserves for 1989 through 2008 issues are based upon claim costs taken from the 1985 Commissioners Disability Table A (CIDA) combined with the 1980 CSO Mortality Table. Reserves for 2009 and later issues are based upon claim costs taken from the 1985 Commissioners Disability Table A (CIDA) combined with the 2001 CSO Mortality Table. All issue years use NAIC Model Standard Valuation Law minimum standard valuation interest rates. Rates range from 3-1/2% to 6% depending on the year of issue.

(3) Critical Illness Policies

Method
Two year preliminary term method. All additional reserves are mid-terminal.

Basis
Morbidity and lapse rates are based on pricing assumptions. The interest rate is the whole life rate for the issue year determined according to the Standard Valuation Law. Mortality rates are based on the 1980 CSO Mortality Table for policies issued prior to 2008 and the 2001 CSO Mortality Table for policies issued 2008 and later.

(4) Accident Policies

Method
Two year preliminary term method. All additional reserves are mid-terminal.

Basis
Additional reserves for the hospital confinement sickness, and wellness rider benefits are calculated using claim costs based on experience. Statutory maximum valuation interest rates are determined by year of issue. Mortality rates are based on the 2001 CSO Mortality Table.

(b) RESERVE BASIS, INTEREST RATES AND METHODS – EXHIBIT 6, LINE 10

(1) Long-Term Care Benefits

The morbidity assumptions are based on the Company's experience, supplemented by the Society of Actuaries 1984-2007 LTC Intercompany Study.

(i) the interest rate assumption is based on the date of disability and is equal to the whole life rate as specified in the Standard Valuation Law

EXHIBIT 6 – ATTACHMENT (CONTINUED)

(2) Loss of Time Benefits

(i) Group Policies:
LTD reserves are calculated on a seriatim basis. For each claim the reserve is equal to the present value of the future gross monthly benefits less any current or prospective offsets from other sources. Reserves are based on assumptions reflecting the Company's experience. For claims incurred after 1998, reserves are discounted using the single premium immediate annuity discount rate less 100 basis points varying by claim incurred year. For claims incurred before 1999, reserves are discounted using various interest rates by claim incurred year.

(ii) Individual Policies:
Reserves are calculated using the 1985 CIDA table (after modification to recognize company experience by duration and the existence of certain riders/provisions) combined with interest rates that are generally equivalent to applicable federal interest rates.

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1 Total	2 Guaranteed Interest Contracts	3 Annuities Certain	4 Supplemental Contracts	5 Dividend Accumulations or Refunds	6 Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	740,197,200			482,462,476	76,814,164	180,920,560
2. Deposits received during the year	529,564,654			515,047,392	1,858,521	12,658,742
3. Investment earnings credited to the account	12,833,936			5,017,164	2,194,815	5,621,957
4. Other net change in reserves	(17,963,606)			(821,242)		(17,142,364)
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	502,700,557			485,430,965	6,772,947	10,496,646
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8)	761,931,627			516,274,826	74,094,552	171,562,249
10. Reinsurance balance at the beginning of the year	(152,415,467)			(3,254,507)		(149,160,960)
11. Net change in reinsurance assumed						
12. Net change in reinsurance ceded	(4,887,093)			(1,162,917)		(3,724,176)
13. Reinsurance balance at the end of the year (Lines 10+11-12)	(147,528,374)			(2,091,590)		(145,436,784)
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	614,403,253			514,183,235	74,094,552	26,125,465

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and unpaid:											
1.1 Direct											
1.2 Reinsurance assumed	5,576,507								5,576,507		
1.3 Reinsurance ceded	262,594								262,594		
1.4 Net	5,313,913								5,313,913		
2. In course of settlement:											
2.1 Resisted 2.11 Direct	4,896,234						4,896,234				
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net	4,896,234		(b)	(b)		(b)	(b) 4,896,234				
2.2 Other 2.21 Direct	501,148,771		5,261,015		3,728		41,455,780		444,854,299		9,573,949
2.22 Reinsurance assumed	40,828,304								31,146,806		9,681,499
2.23 Reinsurance ceded	63,912,831		2,472,369		3,728		1,191,572		51,494,358		8,750,804
2.24 Net	478,064,244		(b) 2,788,646	(b)		(b)	(b) 40,264,208		(b) 424,506,746	(b)	(b) 10,504,644
3. Incurred but unreported:											
3.1 Direct	285,749,389		1,054,136				190,780,790		84,755,350		9,159,113
3.2 Reinsurance assumed	9,184,186						536		7,723,212		1,460,438
3.3 Reinsurance ceded	14,040,541		511,136				868,015		5,874,174		6,787,215
3.4 Net	280,893,035		(b) 543,000	(b)		(b)	(b) 189,913,310		(b) 86,604,388	(b)	(b) 3,832,337
4. TOTALS 4.1 Direct	791,794,394		6,315,151		3,728		237,132,804		529,609,648		18,733,062
4.2 Reinsurance assumed	55,588,997						536		44,446,525		11,141,936
4.3 Reinsurance ceded	78,215,966		2,983,505		3,728		2,059,587		57,631,127		15,538,018
4.4 Net	769,167,425	(a)	(a) 3,331,646				(a) 235,073,752		516,425,046		14,336,980

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to $ .... in Column 2, $ .... in Column 3 and $ .... in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance $ .... Individual Annuities $ 556,777 , Credit Life (Group and Individual) $ .... , and Group Life $ 628,395,208 , are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health $ 6,048,744,439 Credit (Group and Individual) Accident and Health $ .... , and Other Accident and Health $ 1,890,108,937 are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life (a)	Life Insurance (b)	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (c)	Annuities	Group	Credit (Group and Individual)	Other
1. Settlements During the Year:											
1.1 Direct	3,195,401,636		35,659,313	1,072,858	610,161		827,570,383	16,275,942	1,836,243,927		477,969,052
1.2 Reinsurance assumed	209,654,892						343,997		97,818,525		111,492,370
1.3 Reinsurance ceded	1,750,004,948		13,810,131	1,072,858	507,179		434,446,756		717,090,940		583,077,083
1.4 Net	(d) 1,655,051,580		21,849,182		102,982		393,467,623	16,275,942	1,216,971,512		6,384,339
2. Liability December 31, current year from Part 1:											
2.1 Direct	791,794,394		6,315,151		3,728		237,132,804		529,609,648		18,733,062
2.2 Reinsurance assumed	55,588,997						536		44,446,525		11,141,936
2.3 Reinsurance ceded	78,215,966		2,983,505		3,728		2,059,587		57,631,127		15,538,018
2.4 Net	769,167,425		3,331,646				235,073,752		516,425,046		14,336,980
3. Amounts recoverable from reinsurers December 31, current year	68,820,350						377,425		21,264,086		47,178,839
4. Liability December 31, prior year:											
4.1 Direct	753,887,114		5,310,879		2,195		201,338,726		527,375,583		19,859,731
4.2 Reinsurance assumed	65,749,033						95		52,186,411		13,562,528
4.3 Reinsurance ceded	82,546,751		1,846,343		2,195		910,403		63,769,208		16,018,603
4.4 Net	737,089,395		3,464,536				200,428,418		515,792,786		17,403,655
5. Amounts recoverable from reinsurers December 31, prior year	86,010,306						497,632		38,587,026		46,925,648
6. Incurred Benefits											
6.1 Direct	3,233,308,916		36,663,586	1,072,858	611,695		863,364,460	16,275,942	1,838,477,992		476,842,384
6.2 Reinsurance assumed	199,494,856						344,438		90,078,639		109,071,779
6.3 Reinsurance ceded	1,728,484,206		14,947,294	1,072,858	508,713		435,475,733		693,629,918		582,849,691
6.4 Net	1,704,319,566		21,716,292		102,982		428,233,165	16,275,942	1,234,926,713		3,064,472

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to $ .... in Line 1.1, $ .... in Line 1.4.
$ .... in Line 6.1, and $ .... in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to $ 600,140 in Line 1.1, $ 590,287 in Line 1.4.
$ 600,140 in Line 6.1, and $ 590,287 in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to $ .... in Line 1.1, $ .... in Line 1.4.
$ .... in Line 6.1, and $ .... in Line 6.4.

(d) Includes $ 150,861 premiums waived under total and permanent disability benefits.

Prior year balances in line 4.2, columns 1 and 9 decreased $20,155 due to foreign currency translation.

Prior year balances in line 4.3, columns 1 and 9 decreased $9,115 due to foreign currency translation and increased $341,368 due to a ceded reinsurance agreement.

EXHIBIT OF NON-ADMITTED ASSETS

		1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
	2.1 Preferred stocks			
	2.2 Common stocks			
3.	Mortgage loans on real estate (Schedule B):			
	3.1 First liens			
	3.2 Other than first liens			
4.	Real estate (Schedule A):			
	4.1 Properties occupied by the company			
	4.2 Properties held for the production of income			
	4.3 Properties held for sale			
5.	Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Derivatives (Schedule DB)			
8.	Other invested assets (Schedule BA)			
9.	Receivables for securities			
10.	Securities lending reinvested collateral assets (Schedule DL)			
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)			
13.	Title plants (for Title insurers only)			
14.	Investment income due and accrued			
15.	Premiums and considerations:			
	15.1 Uncollected premiums and agents' balances in the course of collection	8,440,572	6,821,664	(1,618,907)
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
	15.3 Accrued retrospective premiums	0	7,005	7,005
16.	Reinsurance:			
	16.1 Amounts recoverable from reinsurers	17,818	703,912	686,094
	16.2 Funds held by or deposited with reinsured companies			
	16.3 Other amounts receivable under reinsurance contracts			
17.	Amounts receivable relating to uninsured plans	166,148	91,690	(74,458)
18.1	Current federal and foreign income tax recoverable and interest thereon			
18.2	Net deferred tax asset	212,699,717	197,727,667	(14,972,050)
19.	Guaranty funds receivable or on deposit			
20.	Electronic data processing equipment and software			
21.	Furniture and equipment, including health care delivery assets	3,786,827	4,198,576	411,749
22.	Net adjustment in assets and liabilities due to foreign exchange rates			
23.	Receivables from parent, subsidiaries and affiliates			
24.	Health care and other amounts receivable	3,014,149	2,745,664	(268,485)
25.	Aggregate write-ins for other than invested assets	2,509,809	2,297,090	(212,719)
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	230,635,039	214,593,268	(16,041,771)
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	Total (Lines 26 and 27)	230,635,039	214,593,268	(16,041,771)
	DETAILS OF WRITE-INS			
1101.				
1102.				
1103.				
1198.	Summary of remaining write-ins for Line 11 from overflow page			
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501.	Other miscellaneous assets	2,509,809	2,297,090	(212,719)
2502.				
2503.				
2598.	Summary of remaining write-ins for Line 25 from overflow page			
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	2,509,809	2,297,090	(212,719)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Unum Life Insurance Company of America (the Company) have been completed in accordance with Statutory Accounting Principles (SAP) prescribed in the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual. The Maine Bureau of Insurance (the Bureau) has adopted no accounting practices that differ materially from SAP.

		State of Domicile	12/31/2013	12/31/2012
NET INCOME				
(1) The Company's state basis (Page 4, Line 35, columns 1 & 2)		Maine	$ 176,184,767	$ 202,852,314
(2) State Prescribed Practices that increase/(decrease) NAIC SAP			-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP			-	-
(4) NAIC SAP	(1-2-3=4)	Maine	$ 176,184,767	$ 202,852,314
SURPLUS				
(5) The Company's state basis (Page 3, Line 38, Columns 1 & 2)		Maine	$ 1,557,867,048	$ 1,573,532,672
(6) State Prescribed Practices that increase/(decrease) NAIC SAP			-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP			-	-
(8) NAIC SAP	(5-6-7=8)	Maine	$ 1,557,867,048	$ 1,573,532,672

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with SAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

C. Accounting Policy

Life and accident and health premiums are recognized as revenue when due from policyholders. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

Real estate other than properties held for sale is carried at cost less accumulated depreciation and less encumbrances. Real estate held for sale is carried at the lower of book value or fair value less selling costs

Contract loans are stated at the aggregate unpaid balance.

Surplus debentures are carried at amortized cost.

In addition, the Company uses the following accounting policies:

(1) Short-term investments and cash equivalents are carried at cost.

(2) Long-term bonds classified as issuer obligations are generally carried at amortized cost unless they have a NAIC rating of 6, in which case they are stated at the lower of amortized cost or fair value. Issuer obligations are amortized using the interest method.

(3) Common stocks of unaffiliated companies are stated at fair value.

(4) Redeemable and perpetual preferred stocks are generally stated at cost unless they have a NAIC rating of 4, 5, or 6, in which case they are stated at the lower of cost or fair value.

(5) Mortgage loans are stated at the aggregate unpaid principal balance, less an allowance for credit losses.

(6) Loan-backed and structured securities are stated at either amortized cost or the lower of amortized cost or fair value in accordance with the provisions of Statement of Statutory Accounting Principles (SSAP) No. 43R, *Loan-Backed and Structured Securities*. Amortization of mortgage-backed and loan-backed securities considers the estimated timing and amount of prepayments of the underlying loans at the date of purchase. Actual prepayment experience is periodically reviewed with significant changes in estimated cash flows from the original purchase assumptions accounted for using the retrospective method.

NOTES TO FINANCIAL STATEMENTS

(7) The Company's investment in Provident Life and Accident Insurance Company, an affiliate, is carried at the Company's equity ownership in the underlying statutory-basis net assets of Provident Life and Accident Insurance Company. The change in the carrying value is recorded as a change in net unrealized gains (losses), a component of unassigned surplus.

(8) Investments in joint ventures, partnerships, and limited liability entities, excluding limited liability companies invested in low income housing tax credit (LIHTC) properties, are accounted for using the equity method and are carried at values based on the underlying audited GAAP equity of the investee. Investments in limited liability companies that invest in LIHTC properties are accounted for in accordance with SSAP No. 93, *Accounting for Low Income Housing Tax Credit Property Investments*.

(9) Derivatives hedging fixed income assets and/or liabilities are generally carried at amortized cost. Derivatives hedging items carried at fair value are carried at fair value. Derivatives that do not qualify for hedge accounting or cease to be effective hedges are carried at fair value.

(10) The Company considers anticipated investment income in its review of reserves for potential premium deficiencies.

(11) Liabilities for losses and loss/claim adjustment expenses for accident and health contracts are estimated using statistical claim development models and tabular reserves employing assumptions concerning mortality, morbidity, and social security as well as appropriate discount rates for accident and health business.

(12) The Company's fixed asset capitalization policy has not changed from the prior period.

(13) Not applicable

2. Accounting Changes and Corrections of Errors

Effective January 1, 2012, the Company adopted the provisions of SSAP No. 101, *Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10*. SSAP 101 establishes statutory accounting principles for current and deferred federal and foreign income taxes and current state income taxes. In addition, SSAP 101 revises guidance related to uncertain tax positions and deferred tax asset admissibility calculations. The adoption of SSAP 101 increased the net deferred tax asset $31,402,894, with a commensurate increase in capital and surplus.

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

Not applicable

5. Investments

A. Mortgage Loans

(1) The minimum and maximum lending rates for commercial mortgage loans during 2013 were 4.00% and 8.00%, respectively, including one purchase money mortgage issued at 4.50%.

(2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages, is 75%.

(3) Not applicable

NOTES TO FINANCIAL STATEMENTS

(4) Age Analysis of Mortgage Loans:

	Farm	Residential Insured	Residential All Other	Commercial Insured	Commercial All Other	Mezzanine	Total
a. Current Year							
1. Recorded Investment (All)							
(a) Current	$ -	$ -	$ -	$ -	$ 816,847,912	$ -	$ 816,847,912
(b) 30-59 Days Past Due	-	-	-	-	-	-	-
(c) 60-89 Days Past Due	-	-	-	-	-	-	-
(d) 90-179 Days Past Due	-	-	-	-	-	-	-
(e) 180+ Days Past Due	-	-	-	-	-	-	-
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Interest Accrued	-	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Interest Accrued	-	-	-	-	-	-	-
4. Interest Reduced							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Number of Loans	-	-	-	-	-	-	-
(c) Percent Reduced	0%	0%	0%	0%	0%	0%	0%
b. Prior Year							
1. Recorded Investment (All)							
(a) Current	$ -	$ -	$ -	$ -	$ 834,685,416	$ -	$ 834,685,416
(b) 30-59 Days Past Due	-	-	-	-	-	-	-
(c) 60-89 Days Past Due	-	-	-	-	-	-	-
(d) 90-179 Days Past Due	-	-	-	-	-	-	-
(e) 180+ Days Past Due	-	-	-	-	-	-	-
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Interest Accrued	-	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Interest Accrued	-	-	-	-	-	-	-
4. Interest Reduced							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Number of Loans	-	-	-	-	-	-	-
(c) Percent Reduced	0%	0%	0%	0%	0%	0%	0%

(5) Not applicable

(6) Not applicable

(7) Not applicable

(8) The Company recognizes interest income on impaired loans when the income is received or deemed collectible.

B. Not applicable

C. Not applicable

D. Loan-Backed Securities

(1) Prepayment assumptions for loan-backed/mortgage-backed and structured securities were obtained from broker dealer survey values and internal estimates.

(2) Not applicable

NOTES TO FINANCIAL STATEMENTS

(3) Not applicable

(4) At December 31, 2013, impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment had not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains) were as follows:

a. The aggregate amount of unrealized losses:

1. Less than 12 months	$	4,685,998
2. 12 months or longer	$	397,721

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 months	$	208,119,399
2. 12 months or longer	$	2,455,251

(5) In determining when a decline in fair value below amortized cost of a security is other than temporary, the Company evaluates the following factors:

- Whether the Company expects to recover the entire amortized cost basis of the security.
- Whether the Company intends to sell the security or will be required to sell the security before the recovery of its amortized cost basis.
- Whether the security is current as to principal and interest payments.
- The significance of the decline in value.
- The time period during which there has been a significant decline in value.
- Current and future business prospects and trends of earnings.
- The valuation of the security's underlying collateral.
- Relevant industry conditions and trends relative to their historical cycles.
- Market conditions.
- Rating agency and governmental actions.
- Bid and offering prices and the level of trading activity.
- Adverse changes in estimated cash flows for securitized investments.
- Changes in fair value subsequent to the balance sheet date.
- Any other key measures for the related security.

The Company evaluates available information, including the factors noted above, both positive and negative, in reaching its conclusions. In particular, the Company also considers the strength of the issuer's balance sheet, its debt obligations and near term funding requirements, cash flow and liquidity, the profitability of its core businesses, the availability of marketable assets which could be sold to increase liquidity, its industry fundamentals and regulatory environment, and its access to capital markets. Although available and applicable factors are considered in the analysis, the expectation of recovering the entire amortized cost basis of the security, whether the Company intends to sell the security, whether it is more likely than not the Company will be required to sell the security before recovery of its amortized cost, and whether the security is current on principal and interest payments are the most critical factors in determining whether impairments are other than temporary. The significance of the decline in value and the length of time during which there has been a significant decline are also important factors, but the Company does not record an impairment loss based solely on these two factors, since often other factors will impact the evaluation of a security.

While determining other-than-temporary impairments is a judgmental area, the Company utilizes a formal, well-defined, and disciplined process to monitor and evaluate its investments, supported by issuer specific research and documentation as of the end of each period. The process results in a thorough evaluation of problem investments and the recording of realized losses on a timely basis for investments determined to have an other-than-temporary impairment.

E. Repurchase Agreements and/or Securities Lending Agreements

(1) The Company posts collateral through its repurchase agreement transactions whereby the counterparty commits to purchase securities with the agreement to resell them to the Company at a later, specified date. The fair value of collateral posted is generally 102% of the cash received. For securities lending agreements, the Company requires a minimum collateral amount of 102% of the fair value of the securities loaned. Cash collateral received is invested in cash equivalents, and the offsetting collateral liability is reported as a miscellaneous liability. In the event securities are received as collateral, the Company is not permitted to sell or re-pledge them.

(2) The Company has a securities lending program whereby it had pledged securities with a statement value of $75,080,325 at December 31, 2013. These securities are reported as an asset and included in "bonds." The Company received as collateral securities with a fair value of $44,144,091 and cash of $38,215,203. The cash collateral is reported as a liability as "payable for securities lending." The securities received as collateral are not reported in the Company's balance sheet. The liability will be satisfied when the Company returns the cash to the counterparty and the borrowed security is returned to the Company.

NOTES TO FINANCIAL STATEMENTS

(3) Collateral Received

a. Aggregate Amount Cash Collateral Received

		Fair Value
1. Repurchase Agreement		
(a) Open	$	-
(b) 30 Days or less		-
(c) 31 to 60 Days		-
(d) 61 to 90 Days		-
(e) Greater Than 90 Days		-
(f) Sub-Total	$	-
(g) Securities Received		-
(h) Total Collateral Received	$	-
2. Securities Lending		
(a) Open	$	38,215,203
(b) 30 Days or less		-
(c) 31 to 60 Days		-
(d) 61 to 90 Days		-
(e) Greater Than 90 Days		-
(f) Sub-Total	$	38,215,203
(g) Securities Received		44,144,091
(h) Total Collateral Received	$	82,359,294
3. Dollar Repurchase Agreement		
(a) Open	$	-
(b) 30 Days or less		-
(c) 31 to 60 Days		-
(d) 61 to 90 Days		-
(e) Greater Than 90 Days		-
(f) Sub-Total	$	-
(g) Securities Received		-
(h) Total Collateral Received	$	-

b. As of December 31, 2013 and 2012, the aggregate fair value of cash collateral received from securities lending transactions was $38,215,203 and $151,787,945, respectively. The Company reinvests this cash collateral into cash equivalents. The Company has not sold or re-pledged any securities collateral received from securities lending transactions.

c. The Company generally receives cash collateral in an amount in excess of the fair value of the securities loaned under its securities lending agreements and reinvests the cash into cash equivalents.

(4) Not applicable

NOTES TO FINANCIAL STATEMENTS

(5) Collateral Reinvestment

a. Aggregate Amount Cash Collateral Reinvested

	Amortized Cost	Fair Value
1. Repurchase Agreement		
(a) Open	$ -	$ -
(b) 30 Days or less	-	-
(c) 31 to 60 Days	-	-
(d) 61 to 90 Days	-	-
(e) 91 to 120 Days	-	-
(f) 121 to 180 Days	-	-
(g) 181 to 365 Days	-	-
(h) 1 to 2 Years	-	-
(i) 2 to 3 Years	-	-
(j) Greater Than 3 Years	-	-
(k) Sub-Total	$ -	$ -
(l) Securities Received	-	-
(m) Total Collateral Received	$ -	$ -
2. Securities Lending		
(a) Open	$ -	$ -
(b) 30 Days or less	34,232,263	34,232,263
(c) 31 to 60 Days	3,982,940	3,982,940
(d) 61 to 90 Days	-	-
(e) 91 to 120 Days	-	-
(f) 121 to 180 Days	-	-
(g) 181 to 365 Days	-	-
(h) 1 to 2 Years	-	-
(i) 2 to 3 Years	-	-
(j) Greater Than 3 Years	-	-
(k) Sub-Total	$ 38,215,203	$ 38,215,203
(l) Securities Received	-	-
(m) Total Collateral Received	$ 38,215,203	$ 38,215,203
3. Dollar Repurchase Agreement		
(a) Open	$ -	$ -
(b) 30 Days or less	-	-
(c) 31 to 60 Days	-	-
(d) 61 to 90 Days	-	-
(e) 91 to 120 Days	-	-
(f) 121 to 180 Days	-	-
(g) 181 to 365 Days	-	-
(h) 1 to 2 Years	-	-
(i) 2 to 3 Years	-	-
(j) Greater Than 3 Years	-	-
(k) Sub-Total	$ -	$ -
(l) Securities Received	-	-
(m) Total Collateral Received	$ -	$ -

b. The Company will generally have no more than a 30 day mismatch between the weighted average maturities of its securities lending liabilities and its reinvested collateral. If necessary, the Company may sell its reinvested cash equivalents to pay for any collateral calls that come due.

(6) At December 31, 2013, the Company held securities with a fair value of $44,144,091 as collateral under its securities lending agreements. The Company is not permitted to sell or re-pledge these securities.

(7) Not applicable

F. Real Estate

(1) Not applicable

(2) During 2013, the Company sold a portion of a real estate property classified as held for sale and recognized a gain of $4,620,365 on the sale. The gain on sale is reported as a component of net realized capital gains (losses) in the summary of operations. During 2013, the Company reclassified a real estate property from company occupied to held for sale and is currently exploring potential sales opportunities for the property. As of December 31, 2013, the timing of the disposal was uncertain.

NOTES TO FINANCIAL STATEMENTS

(3) Not applicable

(4) Not applicable

(5) Not applicable

G. Low Income Housing Tax Credits

(1) The Company owned ten tax credit partnerships at December 31, 2013. The number of years of unexpired credits ranges from one to eleven years, and the remaining required holding period ranges from three to fifteen years.

(2) Not applicable

(3) Not applicable

(4) Not applicable

(5) Not applicable

H. Restricted Assets

(1) Restricted Assets (Including Pledged)

	Gross Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
Restricted Asset Category	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0%	0%
b Collateral held under security lending agreements	75,080,325	-	-	-	75,080,325	126,892,427	(51,812,102)	75,080,325	0%	0%
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
g. Placed under option contracts	-	-	-	-	-	-	-	-	0%	0%
h. Letter stock or securities restricted as to sale	-	-	-	-	-	-	-	-	0%	0%
i. On deposit with states	261,717,436				261,717,436	258,796,607	2,920,829	261,717,436	1%	1%
j. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	0%	0%
k. Pledged as collateral not captured in other categories	52,709,862	-	-	-	52,709,862	42,250,469	10,459,393	52,709,862	0%	0%
l. Other restricted assets	-	-	-	-	-	-	-	-	0%	0%
m. Total Restricted Assets	$389,507,623	$ -	$ -	$ -	$389,507,623	$427,939,503	$(38,431,880)	$ 389,507,623	2%	2%

(a) Subset of column 1
(b) Subset of column 3

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories

	Gross Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
Description of Assets	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Bonds-Pledged for Reinsurance and Derivative Agreements	$ 52,709,862	$ -	$ -	$ -	$ 52,709,862	$ 42,250,469	$ 10,459,393	$ 52,709,862	0%	0%
	-	-	-	-	-	-	-	-	0%	0%
	-	-	-	-	-	-	-	-	0%	0%
Total	$ 52,709,862	$ -	$ -	$ -	$ 52,709,862	$ 42,250,469	$ 10,459,393	$ 52,709,862	0%	0%

(a) Subset of column 1
(b) Subset of column 3

The assets included in the preceding table have been pledged as collateral to the Company’s derivative counterparties and to satisfy a reinsurance trust agreement where the Company is required to hold assets equal to reserves assumed by the Company.

(3) Not applicable

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company had no investments in joint ventures, partnerships, or limited liability companies that exceed 10% of its admitted assets.

B. The Company did not recognize any impairment write-down for its investments in joint ventures, partnerships, and limited liability companies during the statement periods.

7. Investment Income

A. The Company does not accrue investment income on bonds and mortgage loans where collection of interest is uncertain.

B. The Company did not exclude any amounts from investment income due and accrued as of December 31, 2013.

8. Derivative Instruments

The Company takes positions from time to time in certain derivative financial instruments to hedge interest rate risks, credit risks, and to improve the matching of its assets and liabilities. Financial instruments used for such purposes include interest rate swaps, forward treasury locks, foreign currency interest rate swaps, options on U.S. Treasury rates, and credit default swaps. See Schedule DB for further details of the Company's derivatives activity.

The basic types of risks associated with derivatives are market risk (that the value of the derivative will be adversely impacted by changes in the market, primarily the change in interest rates) and credit risk (that the counterparty will not perform according to the terms of the contract). The market risk of derivatives should generally offset the market risk associated with the hedged asset or liability. The Company is exposed to credit-related losses in the event of non-performance by counterparties to the financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure of derivatives is limited to the value of those contracts in a net gain position. The Company mitigates credit risk by entering into master agreements with its counterparties whereby contracts in a gain position can be offset against contracts in a loss position. Additionally, the Company typically enters into bilateral, cross-collateralization agreements with its counterparties. These agreements require the counterparty in a loss position to submit acceptable collateral with the other counterparty in the event the net loss position meets or exceeds a certain amount. See Schedule DB Part D for details of the Company's pledged collateral and counterparty exposure.

Interest rate swaps are used to hedge interest rate risks and to improve the matching of assets and liabilities. An interest rate swap is an agreement in which the Company agrees with other parties to exchange, at specified intervals, the difference between fixed rate and variable rate interest amounts, calculated by reference to an agreed upon notional principal amount. No cash is exchanged at the outset of the contract, and no principal payments are made by either party. Thus, the book value of these interest rate swaps is zero, and they are recorded "off-balance sheet." A single net payment is usually made by one counterparty at each due date and is recorded as a component of investment income. The Company has previously utilized certain forward interest rate swap agreements where the exchange of interest payments does not begin until a specified future date. These swaps are identified as cash flow hedges, and their purpose has been to hedge the anticipated purchase of long-term bonds. The Company settled for cash the forward interest rate swap agreements prior to the commencement of the exchange of interest payment streams. For those swaps that qualified as effective hedges, the gain or loss upon termination of the swaps was used to adjust the basis of the purchased bonds. Swaps that are not effective hedges are marked-to-market, and changes in fair value are reported in surplus as unrealized gains or losses. For those swaps that are not effective hedges, the gain or loss on termination is reported as a capital gain or loss in the summary of operations.

Forward treasury locks are used to lock in the yield on a specific U.S. Treasury bond. This type of derivative has been used to minimize the interest rate risk related to the proceeds to be received upon the disposal of specific long-term bonds. These derivatives are identified as cash flow hedges. Forward treasury locks allowed the Company to hedge projected cash flows associated with the proceeds of the security because the issuers' call or tender price for the security was partially determined by the change in the yield of a specific U.S. Treasury bond. The Company terminated the treasury locks, for cash, at the same time the securities were disposed.

Foreign currency interest rate swaps are used to hedge the currency risk of certain foreign currency denominated long-term bonds owned. These derivatives are identified as cash flow hedges of the forecasted functional-currency-equivalent cash flows associated with the foreign currency denominated long-term bonds. Under these currency swaps, the Company agrees to pay, at specified intervals, fixed rate foreign currency denominated interest payments to the counterparty in exchange for fixed rate U.S. dollar (functional currency) denominated interest payments. These interest payments are calculated by reference to agreed upon notional principal amounts. The net amount received is reported as a component of investment income. At maturity date, the Company will pay the foreign currency denominated notional amount to the counterparty in exchange for the U.S. dollar denominated notional amount. By entering into this currency swap, the Company has effectively converted a foreign currency denominated asset into a U.S. dollar denominated asset. Upon termination, gains or losses will be recognized immediately in the summary of operations, in a manner consistent with the hedged item.

Options on U.S. Treasury rates are used to hedge the interest rate risk associated with the anticipated purchase of long-term bonds. These options give us the right, but not the obligation, to receive a specific interest rate for a specified period of time. These options enable the Company to lock in a minimum investment yield to hedge the potential adverse impact of declining interest rates. If interest rates rise above the option's strike rate at maturity, the Company will not exercise the options, but will instead invest cash flows at the higher rates. If interest rates fall below the option's strike rate at maturity, the Company will settle the options for cash. For those options that qualified as effective hedges, the gain or loss upon termination of the options was used to adjust the basis of the purchased bonds. These options are identified as cash flow hedges and are accounted for similarly to the interest rate swaps described above.

Credit Default Swaps are derivative contracts whereby the Company agrees with another party to pay, at specified intervals, a fixed-rate fee in exchange for insurance against a credit event on a specific investment. If the credit event as defined by the contract

NOTES TO FINANCIAL STATEMENTS

occurs, the counterparty may either pay the Company a net cash settlement or the Company may surrender the specific investment to the counterparty in exchange for cash equal to the full notional amount of the swap. Credit events typically include events such as bankruptcy, failure to pay, or certain types of debt restructuring.

Credit default swaps do not qualify for hedge accounting under the guidelines of SSAP No. 86. Therefore, the Company carries its credit default swaps at fair value in its balance sheet. Changes in fair value of the credit default swaps are reported in surplus as an unrealized gain or loss. For the year ended December 31, 2013, the Company recognized in surplus an unrealized loss of $292,930 on its credit default swaps.

As of December 31, 2013, the Company is hedging its exposure to the variability in future cash flows for forecasted transactions through the year 2029. During 2013, the Company did not discontinue any cash flow hedges as a result of the forecasted transactions no longer being probable of occurring and did not exclude any component of the derivatives gain or loss from the assessment of hedge effectiveness.

9. Income Taxes

A. The Company calculated its deferred tax assets pursuant to SSAP 101 for the years ended December 31, 2013 and 2012 (see Note 2). The components of the net deferred tax assets (liabilities) and change from the prior year are comprised of the following:

1.

	12/31/2013			12/31/2012			Change		
	1	2	3	4	5	6	7	8	9
			(Col 1 + 2)			(Col 4 + 5)	(Col 1 - 4)	(Col 2 - 5)	(Col 7 + 8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	353,758,425	32,329,886	386,088,311	338,834,720	29,393,807	368,228,527	14,923,705	2,936,079	17,859,784
(b) Statutory Valuation Allowance Adjustment									
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	353,758,425	32,329,886	386,088,311	338,834,720	29,393,807	368,228,527	14,923,705	2,936,079	17,859,784
(d) Deferred Tax Assets Nonadmitted	212,444,169	255,548	212,699,717	197,727,667		197,727,667	14,716,502	255,548	14,972,050
(e) Subtotal Net Deferred Tax Assets (1c - 1d)	141,314,256	32,074,338	173,388,594	141,107,053	29,393,807	170,500,860	207,203	2,680,531	2,887,734
(f) Deferred Tax Liabilities	3,663,230	570,698	4,233,928	3,610,339	382,657	3,992,996	52,891	188,041	240,932
(g) Net Admitted Deferred Tax Assets (1e - 1f)	137,651,026	31,503,640	169,154,666	137,496,714	29,011,150	166,507,864	154,312	2,492,490	2,646,802

The deferred tax asset admitted under each component of SSAP 101 is shown below.

2.

	12/31/2013			12/31/2012			Change		
	1	2	3	4	5	6	7	8	9
			(Col 1 + 2)			(Col 4 + 5)	(Col 1 - 4)	(Col 2 - 5)	(Col 7 + 8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid in Prior Years Recoverable through Loss Carrybacks	102,446,151	32,074,338	134,520,489	101,813,636	29,393,807	131,207,443	632,515	2,680,531	3,313,046
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) Above) After Application of the Threshold Limitation (the lesser of 2(b)1 and 2(b)2 below)	34,634,177		34,634,177	35,300,421		35,300,421	(666,244)		(666,244)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	34,634,177		34,634,177	35,300,421		35,300,421	(666,244)		(666,244)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	208,306,857	XXX	XXX	211,053,721	XXX	XXX	(2,746,864)
(c) Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets from 2(a) and 2(b) Above) Offset by Gross Deferred Tax Liabilities	4,233,928		4,233,928	3,992,996		3,992,996	240,932		240,932
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	141,314,256	32,074,338	173,388,594	141,107,053	29,393,807	170,500,860	207,203	2,680,531	2,887,734

3.

	2013	2012
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	717.0%	719.9%
(b) Amount of Admitted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above	1,388,712,382	1,407,024,808

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4.

	12/31/2013			12/31/2012			Change		
	1	2	3	4	5	6	7	8	9
	Ordinary Percent	Capital Percent	(Cols. 1 + 2) Total Percent	Ordinary Percent	Capital Percent	(Cols. 4 + 5) Total Percent	(Cols. 1 - 4) Ordinary Percent	(Cols. 2 - 5) Capital Percent	(Cols. 7 + 8) Total Percent
Impact of Tax Planning Strategies									
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0.0%	0.0%	0.0%	1.3%	0.0%	1.3%	(1.3%)	0.0%	(1.3%)

(c) Does the Company's tax-planning strategies include the use of reinsurance? Yes [ ] No [X]

B. Not applicable

NOTES TO FINANCIAL STATEMENTS

C. The components of income tax incurred and net deferred tax assets (liabilities) are shown below. Prior year amounts have been reclassified to conform to the current year presentation.

	Year Ended December 31		
	2013	2012	Change
1. Current Income Tax			
(a) Federal	$ 53,288,503	$ 99,039,859	$ (45,751,356)
(b) Foreign	-	-	-
(c) Subtotal	53,288,503	99,039,859	(45,751,356)
(d) Federal Income Tax on Net Capital Gains	20,236,383	23,947,372	(3,710,989)
(e) Utilization of Capital Loss Carryforward	-	-	-
(f) Other	-	-	-
(g) Federal Income Tax Incurred	$ 73,524,886	$ 122,987,231	$ (49,462,345)

	December 31		
	2013	2012	Change
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of Unpaid Losses	$ -	$ -	$ -
(2) Unearned Premium Reserve	-	-	-
(3) Policyholder Reserves	46,296,658	45,955,698	340,960
(4) Investments	146,743,260	127,847,598	18,895,662
(5) Deferred Acquisition Costs	137,025,230	141,933,265	(4,908,035)
(6) Policyholder Dividends Accrual	4,018,000	4,053,000	(35,000)
(7) Fixed Assets	2,689,859	2,982,477	(292,618)
(8) Compensation and Benefits Accrual	1,946,382	2,092,005	(145,623)
(9) Pension Accrual	-	-	-
(10) Receivables - Nonadmitted	4,448,285	6,682,107	(2,233,822)
(11) Net Operating Loss Carryforward	-	-	-
(12) Tax Credit Carryforward	-	-	-
(13) Other	10,590,751	7,288,570	3,302,181
(99) Subtotal	353,758,425	338,834,720	14,923,705
(b) Statutory Valuation Allowance Adjustment	-	-	-
(c) Nonadmitted	212,444,169	197,727,667	14,716,502
(d) Admitted Ordinary Deferred Tax Assets (2a - 2b - 2c)	141,314,256	141,107,053	207,203
(e) Capital			
(1) Investments	32,329,886	29,393,807	2,936,079
(2) Net Capital Loss Carryforward	-	-	-
(3) Real Estate	-	-	-
(4) Other	-	-	-
(99) Subtotal	32,329,886	29,393,807	2,936,079
(f) Statutory Valuation Allowance Adjustment	-	-	-
(g) Nonadmitted	255,548	-	255,548
(h) Admitted Capital Deferred Tax Assets (2e - 2f - 2g)	32,074,338	29,393,807	2,680,531
(i) Admitted Deferred Tax Assets (2d + 2h)	173,388,594	170,500,860	2,887,734
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	-	-	-
(2) Fixed Assets	-	-	-
(3) Deferred and Uncollected Premium	1,078,246	1,135,973	(57,727)
(4) Policyholder Reserves	-	-	-
(5) (a) Foreign Exchange	1,545,390	1,555,918	(10,528)
(b) Guaranty Fund Assessments	669,311	276,460	392,851
(c) Other	370,283	641,988	(271,705)
(99) Subtotal	3,663,230	3,610,339	52,891
(b) Capital			
Investments	-	-	-
Real Estate	570,698	382,657	188,041
Other	-	-	-
(99) Subtotal	570,698	382,657	188,041
(c) Deferred Tax Liabilities (3a99 + 3b99)	4,233,928	3,992,996	240,932
4. Net Deferred Tax Assets (2i - 3c)	$ 169,154,666	$ 166,507,864	$ 2,646,802

NOTES TO FINANCIAL STATEMENTS

D. The provision for federal income tax incurred differs from the amount obtained by applying the federal statutory rate of 35% to pre-tax net income, as shown below.

	Year Ended December 31			
	2013		2012	
Provision Computed at Statutory Rate				
From Operations	$ 87,270,389		$ 113,493,493	
From Capital Gains (Losses) before IMR	(2,536,354)		4,406,434	
Total Tax at Statutory Rate	84,734,035	35.0 %	117,899,927	35.0 %
Amortization of Reinsurance Gains	(4,633,483)	(1.9)	(3,906,553)	(1.2)
Unrealized Gains	230,163	0.1	786,993	0.2
Prior Year Taxes	(1,761,011)	(0.7)	(3,832,946)	(1.1)
Tax Exempt Income	(6,527,394)	(2.7)	(6,527,533)	(1.9)
Federal Tax Credits	(17,996,118)	(7.4)	(15,902,831)	(4.7)
Interest Maintenance Reserve	(1,006,132)	(0.4)	(757,660)	(0.2)
Nonadmitted Assets and Unauthorized Reinsurance	2,288,324	0.9	1,985,412	0.6
Other	577,650	0.2	1,899,284	0.5
Total	$ 55,906,034	23.1 %	$ 91,644,093	27.2 %
Federal Income Tax Incurred	$ 73,524,886	30.4 %	$ 122,987,231	36.5 %
Tax Effect of Unrealized Gains	230,163	0.1	786,993	0.2
Change in Net Deferred Income Tax	(17,849,015)	(7.4)	(32,130,131)	(9.5)
Total Statutory Income Tax	$ 55,906,034	23.1 %	$ 91,644,093	27.2 %

E. As of December 31, 2013 and 2012, the tax related balances due from (to) Unum Group were $42,488,088 and $(9,845,984), respectively. The amounts of federal income tax incurred in 2013 and 2012 that are available for recoupment in the event of future net losses are $80,019,790 and $121,725,927, respectively. The amount of federal income tax incurred in 2011 that is available for recoupment in the event of future capital losses is $33,383,874.

F. The Company's federal income tax return is consolidated with the following entities:

Unum Group (ultimate parent company), First Unum Life Insurance Company, Colonial Life & Accident Insurance Company, Tailwind Reinsurance Company, Northwind Reinsurance Company, Provident Life and Accident Insurance Company, Provident Life and Casualty Insurance Company, The Paul Revere Life Insurance Company, The Paul Revere Variable Annuity Insurance Company, Duncanson & Holt, Inc., Duncanson & Holt Services, Inc., and UnumProvident International, Ltd.

The Company is party to a written tax sharing agreement with the consolidated group members listed above. The agreement provides that the portion of the consolidated tax liability allocated to the Company is based on its separate return tax liability. Under the agreement, additional tax benefits are allocated to the Company for its portion of net operating losses and tax credit carryforwards in the year they are used by the consolidated group.

During 2013, the Company's appeal of Internal Revenue Service (IRS) audit adjustments for tax years 2005 and 2006 was effectively settled with the approval of the Congressional Joint Committee on Taxation as part of Unum Group's settlement of its consolidated tax liability with the IRS for these years. As a result, the Company recognized a reduction in its federal income taxes of $1,247,689.

The IRS opened its examination of the Company's 2009 and 2010 tax years in 2012. No adjustments have yet been proposed. During 2012, the Company finalized all issues related to the 2007 and 2008 tax years with the IRS and recognized a reduction in its federal income taxes of $2,352,339. Tax years subsequent to 2008 remain subject to examination by U.S. tax authorities.

G. The Company does not anticipate a significant increase to a loss contingency for income taxes in the next 12 months.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. Nature of the Relationship: Unum Life Insurance Company of America, a wholly-owned subsidiary of Unum Group. See Schedule Y - Part 1 for a complete listing of affiliates.

B. & C.
During 2013 and 2012, the Company paid in cash the following common stock dividends to Unum Group:

2013		2012	
Date	Amount	Date	Amount
March 19	$ 60,000,000	March 27	$ 60,000,000
June 20	60,000,000	June 21	60,000,000
September 20	60,000,000	September 18	40,000,000
		December 19	65,000,000

NOTES TO FINANCIAL STATEMENTS

During 2013 and 2012, the Company received the following common stock dividends in cash from Provident Life and Accident Insurance Company:

2013		2012	
Date	Amount	Date	Amount
March 27	$ 1,600,000	March 27	$ 1,800,000
June 28	1,600,000	June 29	1,800,000
September 30	1,600,000	September 28	1,600,000
December 27	1,600,000	December 27	1,600,000

The short-term, intercompany lending activities of the Company are listed below:

Entity	Lending Entity	Date Borrowed	Amount Borrowed	Date Repaid	Interest Paid
The Company	Unum Group	10/31/13	$ 171,350,000	11/01/13	$ 857
		11/01/13	152,233,000	11/15/13	13,024

D. Amounts reported on pages 2 and 3 herein as receivables from or payables to parent, subsidiaries, and affiliates result from normal, ongoing business processes and are settled in full on a monthly basis.

E. Not applicable

F. The Company receives from its affiliates certain administrative, investment, and actuarial services, the cost of which was negotiated in an arm's-length transaction.

G. All outstanding shares of the Company are owned by Unum Group, a non-insurance holding company incorporated in Delaware. Various other affiliates are under the ownership of Unum Group, but all transactions between affiliates are arm's-length in nature and do not result in the operating results or financial position of the Company being significantly different from those that would have been obtained if the enterprises were autonomous.

H. Not applicable

I. Not applicable

J. Not applicable

K. Not applicable

L. Not applicable

11. Debt

Not applicable

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

The Company purchases services from its affiliates in accordance with an intercompany cost sharing arrangement. There is no material obligation on the part of the Company beyond the amounts paid as part of the cost of services purchased.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) The Company has 1,000,000 shares authorized and 500,000 shares issued and outstanding. Par value is $10 per share.

(2) The Company has no preferred stock outstanding.

(3) Maine domiciled insurance companies are required to notify the superintendent within five days after the declaration of any dividend or distribution. If the dividend or distribution is not disapproved pursuant to paragraph A below and is not an extraordinary dividend as defined in paragraph B below, the insurer may pay the dividend or distribution once the superintendent has approved the payment or ten days have elapsed after the superintendent's receipt of notice.

A. The superintendent shall issue an order restricting or disallowing the payment of dividends and distributions if the superintendent determines that the insurer's surplus would not be reasonable in relation to the insurance company's outstanding liabilities, that the insurer's surplus would be inadequate to that company's financial needs or that the insurer's financial condition would constitute a condition hazardous to policyholders, claimants or the public.

B. An extraordinary dividend may not be paid until affirmatively approved by the superintendent or until at least sixty days after the superintendent has received a request to pay an extraordinary dividend.

1. For purposes of this subsection, "extraordinary dividend" means any dividend or distribution, other than a pro rata distribution of a class of the insurer's own securities, that:

NOTES TO FINANCIAL STATEMENTS

a) Exceeds 10% of the insurer's surplus to policyholders as of December 31 of the preceding year or the net gain from operations for the preceding calendar year, whichever is greater;

b) Is declared within five years after any acquisition of control of a domestic insurer or of any person controlling that insurer, unless it has been approved by a number of continuing directors equal to a majority of the directors in office immediately preceding that acquisition of control; or

c) Is not paid entirely from unassigned funds. For purposes of this division, fifty percent of the net of unrealized capital gains and unrealized capital losses, reduced, but not to less than zero, by that portion of the asset valuation reserve attributable to equity investments, must be excluded from the calculation of unassigned funds.

2. An insurer may declare an extraordinary dividend on a conditional basis, subject to the superintendent's approval. A declaration pursuant to this subparagraph does not confer any rights upon stockholders until the superintendent has approved the payment or the sixty day review period has elapsed.

(4) During 2013 and 2012, the Company paid the following ordinary common stock dividends:

2013		2012	
Date	Amount	Date	Amount
March 19	$ 60,000,000	March 27	$ 60,000,000
June 20	60,000,000	June 21	60,000,000
September 20	60,000,000	September 18	40,000,000
		December 19	65,000,000

(5) The portion of the Company's profits that may be payable as ordinary dividends to its stockholders is a function of the dividend restriction noted previously.

(6) Not applicable

(7) Not applicable

(8) Not applicable

(9) Not applicable

(10) The portion of unassigned funds (surplus) reduced by cumulative unrealized losses was $2,743,527 as of December 31, 2013.

(11) Not applicable

(12) Not applicable

(13) Not applicable

14. Contingencies

A. Contingent Commitments

(1) At December 31, 2013, the Company had non-binding commitments of $137,364,491 to provide additional capital contributions to certain private equity partnerships. The funds are due upon satisfaction of contractual notice from the partnership. These amounts may or may not be funded.

At December 31, 2013, the Company had $11,116,223 in commitments related to LIHTC property partnerships. These commitments are legally binding and are reported as liabilities on the balance sheet. The Company expects to fund these commitments as follows:

	Amount
1 Year or less	$ 9,993,363
Over 1 Year through 5 Years	938,726
Over 5 Years through 10 Years	184,134
Total	$ 11,116,223

The Company had commitments of $1,481,645 at December 31, 2013 to provide additional funding for transferable state tax credits. These commitments are legally binding and are reported as liabilities on the balance sheet. The Company expects to fund these commitments in one year or less.

(2) Not applicable

(3) Not applicable

NOTES TO FINANCIAL STATEMENTS

B. Assessments

(1) The Company accrues in its financial statements estimates of guaranty fund assessments based on known insolvencies and historical Company state participation levels. A corresponding receivable is recorded for amounts estimated to be recoverable through future state premium tax offsets. Based on notifications the Company has received regarding the insolvency of various external companies, the Company recognized a liability in previous years, the balance of which is $4,698,934 at December 31, 2013. The Company cannot determine the periods over which the assessments are expected to be paid.

(2) The change in the guaranty asset balance summarized below reflects estimated premium tax offsets of new insolvencies accrued for during 2013, revised estimated premium tax offsets for existing insolvencies based on revised estimated cost information provided by the National Organization of Life and Health Guaranty Associations, and an adjustment for premium tax offsets used.

Rollforward of Related Asset		December 31, 2013
a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	$	6,928,325
b. Decreases current year:		
Premium tax offset applied		580,547
c. Increases current year:		
Change in cost estimate		368,909
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	$	6,716,687

C. Not applicable

D. The Company paid the following amounts in 2013 to settle claims related to extra contractual obligations (ECO) or bad faith claims stemming from lawsuits.

	Direct
Claims related ECO and bad faith losses paid during the reporting period	$ 866,719

The number of claims where amounts were paid to settle claims related to ECO or bad faith claims resulting from lawsuits during the reported period were as follows:

(a) 0-25	(b) 26-50	(c) 51-100	(d) 101-500	(e) More than 500 Claims
5	-	-	-	-

Indicate whether claim count information is disclosed per claim or per claimant.

(f) Per Claim [ ]　　(g) Per Claimant [X]

E. Unum Group is a defendant in a number of litigation matters. In some of these matters, no specified amount is sought. In others, very large or indeterminate amounts, including punitive and treble damages, are asserted. There is a wide variation of pleading practice permitted in the United States courts with respect to requests for monetary damages, including some courts in which no specified amount is required and others which allow the plaintiff to state only that the amount sought is sufficient to invoke the jurisdiction of that court. Further, some jurisdictions permit plaintiffs to allege damages well in excess of reasonably possible verdicts. Based on extensive experience and that of others in the industry with respect to litigating or resolving claims through settlement over an extended period of time, Unum Group believes that the monetary damages asserted in a lawsuit or claim bear little relation to the merits of the case, or the likely disposition value. Therefore, the specific monetary relief sought is not stated.

Unless indicated otherwise in the descriptions below, reserves have not been established for litigation and contingencies. An estimated loss is accrued when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

Claims Handling Matters

Unum Group and its insurance subsidiaries, including the Company, as part of the normal operations in managing disability claims, are engaged in claim litigation where disputes arise as a result of a denial or termination of benefits. Most typically these lawsuits are filed on behalf of a single claimant or policyholder, and in some of these individual actions punitive damages are sought, such as claims alleging bad faith in the handling of insurance claims. For its general claim litigation, Unum Group and its insurance company subsidiaries, including the Company, maintain reserves based on experience to satisfy judgments and settlements in the normal course. Management expects that the ultimate liability, if any, with respect to general claim litigation, after consideration of the reserves maintained, will not be material to the financial condition of the Company. Nevertheless, given the inherent unpredictability of litigation, it is possible that an adverse outcome in certain claim litigation involving punitive damages could, from time to time, have a material adverse effect on the Company's results of operations in a period, depending on the results of operations of the Company for the particular period. The Company is unable to estimate the range of reasonably possible punitive losses.

From time to time class action allegations are pursued where the claimant or policyholder purports to represent a larger number of individuals who are similarly situated. Since each insurance claim is evaluated based on its own merits, there is rarely a single act or series of actions, which can properly be addressed by a class action. Nevertheless, Unum Group monitors these cases closely and defends itself appropriately where these allegations are made.

NOTES TO FINANCIAL STATEMENTS

Miscellaneous Matters

In October 2010, Denise Merrimon, Bobby S. Mowery, and all others similarly situated vs. Unum Life Insurance Company of America, was filed in the United States District Court for the District of Maine. This class action alleges that the Company breached fiduciary duties owed to certain beneficiaries under certain group life insurance policies when the Company paid life insurance proceeds by establishing interest-bearing retained asset accounts rather than by mailing checks. Plaintiffs seek to represent a class of beneficiaries under group life insurance contracts that were part of ERISA employee welfare benefit plans and under which the Company paid death benefits via retained asset accounts. The plaintiffs' principal theories in the case are: (1) funds held in retained asset accounts were plan assets, and the proceeds earned by the Company from investing those funds belonged to the beneficiaries, and (2) payment of claims using retained asset accounts did not constitute payment under Maine's late payment statute, requiring the Company to pay interest on the undrawn retained asset account funds at an annual rate of 18 percent. In February 2012, the District Court issued an opinion rejecting both of plaintiffs' principal theories and ordering judgment for the Company. At the same time, however, the District Court held that the Company breached a fiduciary duty to the beneficiaries by failing to pay rates comparable to the best rates available in the market for demand deposits. The District Court also certified a class of people who, during a certain period of time, were beneficiaries under certain group life insurance contracts that were part of ERISA employee welfare benefit plans and were paid death benefits using retained asset accounts. A bench trial was held on the issue of damages in June and July of 2013. In September 2013, the District Court awarded damages based on a benchmark it created by averaging the interest rates paid on money market mutual funds and money market checking accounts. Based on these averages, the District Court found that for certain periods of the class, the Company should have paid additional interest and awarded damages of $12,100,000 and prejudgment interest of $1,300,000. Subsequent to this judgment, in September 2013 the Company filed an appeal to the First Circuit Court of Appeals, and plaintiffs filed a cross appeal. Based on contrary law that has developed recently in similar cases, the Company believes that it has strong legal arguments to raise on appeal. The Company has not accrued a loss for the judgment because it has determined that it does not have a probable loss under the applicable accounting standard relating to the accrual of loss contingencies. The Company cannot predict the timing of a decision or assure the ultimate outcome of its appeal.

Beginning in 2011, a number of state regulators began requiring insurers to cross-check specified insurance policies with the Social Security Administration's Death Master File to identify potential matches. If a potential match was identified, insurers were requested to determine if benefits were due, locate beneficiaries, and make payments where appropriate. Unum Group initiated this process where requested, and in 2012 it began implementing this process in all states on a forward-looking basis. In addition to implementing this on a forward-looking basis, in 2013 Unum Group began an initiative to search for potential claims from previous years. During the fourth quarter of 2013, the Company completed its assessment of benefits which it estimates will be paid under this initiative, and as such, established additional reserves of $41,100,000 for payment of these benefits.

Similar to other insurers, Unum Group is undergoing an examination by a third party acting on behalf of a number of state treasurers concerning its compliance with the unclaimed property laws of the participating states. Unum Group is cooperating fully with this examination as well as with a Delaware Market Conduct examination and a Voluntary Disclosure Agreement process with the state of Minnesota. The legal and regulatory environment around unclaimed death benefits continues to evolve. It is possible that the current examination and/or similar investigations by other state jurisdictions may result in additional payments to beneficiaries, the payment of abandoned funds under state law, and/or administrative penalties, the total of which may be in excess of the reserves established.

In May 2013, a purported class action complaint entitled Ruben Don v. Unum Life Insurance Company of America, Wedner Insurance Group, Inc. dba The Morton Wedner Insurance Agency, and Does 1-30, was filed in the Superior Court of California, County of Los Angeles. The plaintiff seeks to represent a class of California insureds who were issued long-term care policies containing an inflation protection feature. The plaintiff alleges the Company incorrectly administered the inflation protection feature, resulting in an underpayment of benefits. The complaint makes allegations against the Company for breach of contract, bad faith, fraud, violation of Business and Professions Code 17200, and injunctive relief. In June 2013, the Company removed the case to the United States District Court for the Central District of California. The Company is in the process of preparing its response to this complaint.

Summary

Various lawsuits against Unum Group and/or its subsidiaries, including the Company, in addition to those discussed above, have arisen in the normal course of business. Further, state insurance regulatory authorities and other federal and state authorities regularly make inquiries and conduct investigations concerning Unum Group's compliance with applicable insurance and other laws and regulations.

Given the complexity and scope of Unum Group's litigation and regulatory matters, it is not possible to predict the ultimate outcome of all pending investigations or legal proceedings or provide reasonable estimates of potential losses, except where noted in connection with specific matters. It is possible that the Company's results of operations or cash flows in a particular period could be materially affected by an ultimate unfavorable outcome of pending litigation or regulatory matters depending, in part, on the Company's results of operations or cash flows for the particular period. Unum Group believes, however, that the ultimate outcome of all pending litigation and regulatory matters, after consideration of applicable reserves and rights to indemnification, should not have a material adverse effect on the Company's financial position.

15. Leases

A. Lessee Leasing Arrangements

(1) The Company leases office space under various noncancelable operating leases under terms that expire through 2022. For most leases, the Company has the option to renew the lease at the end of the lease term at the then fair rental value for a period of five to ten years. Rent expense in 2013 and 2012 was $4,353,079 and $4,146,923, respectively. The Company had no contingent or sublease rentals or liability for early lease terminations as of December 31, 2013.

NOTES TO FINANCIAL STATEMENTS

(2) At January 1, 2014, the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1.	2014	$ 3,876,667
2.	2015	$ 3,460,939
3.	2016	$ 2,845,106
4.	2017	$ 2,448,988
5.	2018	$ 2,287,650
6.	Total	$ 17,700,461

(3) Not applicable

B. Lessor Leases

Not applicable

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

(1) The table below summarizes the notional amounts of the Company's financial instruments with off-balance sheet risk:

	Assets		Liabilities	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
a. Swaps	$ -	$ -	$ 228,946,546	$ 349,946,546
b. Futures	-	-	-	-
c. Options	-	-	-	-
d. Total	$ -	$ -	$ 228,946,546	$ 349,946,546

See Schedule DB for additional detail.

(2) See Note 8 for discussion of the terms of these instruments.

(3) The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure of derivatives is limited to the fair value of those contracts in a net gain position. The Company mitigates credit risk by entering into master agreements with its counterparties whereby contracts in a gain position can be offset against contracts in a loss position. See Schedule DB Part D for detail of the Company's counterparty exposures.

(4) Credit risk is managed by only entering into transactions with investment-grade counterparties and obtaining collateral where appropriate and customary. The Company typically enters into bilateral, cross-collateralization agreements with its counterparties. These agreements require the counterparty in a loss position to submit acceptable collateral with the other counterparty in the event the net loss position meets or exceeds an agreed upon amount.

17. Sale, Transfer and Servicing of Financial Assets, and Extinguishments of Liabilities

A. Not applicable

B. Transfer and Servicing of Financial Assets

(1) Securities are loaned to brokers on a short-term basis during the normal course of business. For loaned securities, Company policies require that a minimum of 102% of the fair value of the securities loaned be maintained as collateral. Generally, cash is received as collateral under these agreements. In the event that securities are received as collateral, they are restricted from general use by the Company. At December 31, 2013, securities loaned to third parties had a fair value of $79,539,696. The Company is provided a degree of access to the assets permitting admission under SSAP No. 4.

(2) Not applicable

(3) Not applicable

(4) Not applicable

(5) The Company has a securities lending program whereby it had pledged securities with a statement value of $75,080,325 and $126,892,427 as of December 31, 2013 and 2012, respectively. These securities are reported as assets (bonds) in the Company's balance sheet. The Company received cash collateral of $38,215,203 and $151,787,945 and reported these amounts as liabilities (payable for securities lending) in its balance sheet. The liabilities are satisfied when the Company returns the cash to the counterparty and the borrowed security is returned to the Company.

The Company does not record a liability for securities received as collateral from its securities lending program because it is not permitted to sell or re-pledge those securities. See Note 5 for further detail of the Company's securities lending transactions.

NOTES TO FINANCIAL STATEMENTS

(6) Not applicable

(7) Not applicable

C. Not applicable

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plan

A. The loss from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans were as follows during 2013:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$ (5,519,529)	$ -	$ (5,519,529)
b. Total net other income or expenses (including interest paid to or received from plans)	-	-	-
c. Total net loss from operations	$ (5,519,529)	$ -	$ (5,519,529)
d. Total claim payment volume	$ 257,048,707	$ -	$ 257,048,707

B. Not applicable

C. Not applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

The aggregate amount of direct premiums written through managing general agents and third party administrators for the year ending December 31, 2013 is $2,405,675, which does not exceed five percent of surplus.

20. Fair Value Measurements

The fair values of the Company's financial instruments are categorized into a three-level classification. The lowest level input that is significant to the fair value measurement of a financial instrument is used to categorize the instrument and reflects the judgment of management. The valuation criterion for each level is summarized as follows:

- Level 1 – Inputs are unadjusted and represent quoted prices in active markets for identical assets or liabilities at the measurement date.

- Level 2 – Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life. Level 2 inputs include, for example, indicative prices obtained from brokers or pricing services validated to other observable market data and quoted prices for similar assets or liabilities.

- Level 3 – Inputs reflect the Company's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Financial assets and liabilities categorized as Level 3 are generally based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. The inputs reflect the Company's estimates about the assumptions that market participants would use in pricing the instrument in a current period transaction.

See section C for further discussion of the Company's valuation methods and techniques.

NOTES TO FINANCIAL STATEMENTS

A.

(1) Fair Value Measurements at December 31, 2013 are as follows.

		(Level 1)	(Level 2)	(Level 3)	Total
a.	Assets at Fair Value				
	Separate account assets	$ 8,667,338	$ -	$ -	$ 8,667,338
	Common stock	-	-	1,041,864	1,041,864
	Total assets at fair value	$ 8,667,338	$ -	$ 1,041,864	$ 9,709,202
b.	Liabilities at Fair Value				
	Derivatives	$ -	$ 487,759	$ -	$ 487,759

There were no transfers between levels during the year ended December 31, 2013.

(2) Fair value measurements in Level 3 of the fair value hierarchy are as follows:

	Beginning Balance at 1/1/2013	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2013
Common stock	$ 1,022,355	$ -	$ -	$ -	$ 19,509	$ -	$ -	$ -	$ -	$ 1,041,864

(3) For fair value measurements of financial instruments that are transferred between levels, the Company reflects the transfers using the fair value at the beginning of the reporting period.

(4) See Section C below for derivatives valuation description. The common stock held by the Company is a private equity investment. Inputs utilized in determining the price of the security are primarily based on assumptions generated from the investee’s financial statements. This results in the usage of significant unobservable inputs and requires the asset to be classified as a Level 3 holding. During 2013, the Company has applied valuation techniques on a consistent basis to similar assets and consistent with those techniques used at year end 2012.

(5) All derivatives positions are presented on a gross basis.

B. Not applicable

C. Presented as follows are the fair values, admitted values and categorization by input level of financial instruments held at the reporting date. The admitted values of financial instruments such as short-term investments, cash and cash equivalents, accounts and premiums receivable, accrued investment income, payable for securities lending, and short-term payables approximate fair value due to the short-term nature of the instruments. As such, these financial instruments are not included in the following charts.

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

Type of Financial Instrument	Aggregate Fair Value	Admitted Values	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Admitted Assets						
Bonds	$ 18,631,770,812	$ 16,529,541,297	$ 1,322,734,035	$ 16,271,113,374	$ 1,037,923,403	$ -
Preferred Stocks	13,934,298	13,000,000	-	13,934,298	-	-
Common Stocks (Unaffiliated)	1,041,864	1,041,864	-	-	1,041,864	-
Mortgage Loans	890,645,521	816,847,912	-	890,645,521	-	-
Contract Loans	57,690,502	57,690,502	-	-	57,690,502	-
Derivatives	-	33,372	-	-	-	-
Other Invested Assets	337,867,843	316,711,016	69,610,673	57,721,359	210,535,811	
Separate Accounts	8,667,338	8,667,338	8,667,338	-	-	-
Liabilities						
Deposit-Type Contracts	$ 614,403,253	$ 614,403,253	$ -	$ -	$ 614,403,253	$ -
Derivatives	52,303,688	37,297,255	-	52,303,688	-	-
Unfunded Commitments to Investment Partnerships	11,116,223	11,116,223	-	11,116,223	-	-

December 31, 2012

Type of Financial Instrument	Aggregate Fair Value	Admitted Values	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Admitted Assets						
Bonds	$ 19,794,767,003	$ 16,256,415,773	$ 1,094,992,018	$ 17,739,874,889	$ 959,900,096	$ -
Preferred Stocks	14,506,470	13,000,000	-	14,506,470	-	-
Common Stocks (Unaffiliated)	1,022,355	1,022,355	-	-	1,022,355	-
Mortgage Loans	935,679,490	834,685,416	-	935,679,490	-	-
Contract Loans	59,545,939	59,545,939	-	-	59,545,939	-
Derivatives	61,175,987	-	-	61,175,987	-	-
Other Invested Assets	337,936,078	302,962,552	-	141,203,629	196,732,449	-
Separate Accounts	7,703,468	7,703,468	7,703,468	-	-	-
Liabilities						
Deposit-Type Contracts	$ 587,781,733	$ 587,781,733	$ -	$ -	$ 587,781,733	$ -
Derivatives	65,493,313	49,032,943	-	65,493,313	-	-
Unfunded Commitments to Investment Partnerships	32,302,870	32,302,870	-	32,302,870	-	-

The following methods and assumptions were used in estimating the fair values of the Company's financial instruments.

Bonds and Preferred Stocks: Fair values are based on quoted market prices, where available. For bonds and preferred stocks not actively traded, fair values are estimated using values obtained from independent pricing services. For private placements, fair values are estimated using internally prepared valuations combining matrix pricing with vendor purchased software programs, including valuations based on estimates of future profitability. Additionally, the Company obtains prices from independent third-party brokers to establish valuations for certain of these securities.

Common Stocks (Unaffiliated): Fair values are based on internally prepared valuations derived from the issuer's financial statements.

Mortgage Loans: Fair values are estimated using discounted cash flow analyses and interest rates currently being offered for similar loans to borrowers with similar credit ratings and maturities. Loans with similar characteristics are aggregated for purposes of the calculations.

Contract Loans: Fair values are estimated using discounted cash flow analyses and interest rates currently being offered to policyholders with similar policies.

Derivatives: Fair values for derivatives are based on market quotes and represent the net amount of cash the Company would have paid or received if the contracts had been settled or closed as of the last day of the period. The Company analyzes credit default swap spreads relative to the average credit spread embedded within the London Interbank Offered Rate (LIBOR) setting syndicate in determining the effect of credit risk on its derivatives' fair values. If net counterparty credit risk for a derivative asset is determined to be material and is not adequately reflected in the LIBOR-based fair value obtained from the Company's pricing sources, it adjusts the valuations obtained from its pricing sources. For purposes of valuing net counterparty risk, the Company measures the fair value of a group of financial assets and financial liabilities on the basis of the price that would be received to sell a net long position or transfer a net short position for a particular risk exposure in an orderly transaction between market participants at the measurement date under current market conditions.

Other Invested Assets: Carrying amounts for tax credit partnerships equal the unamortized balance of contractual commitments to the partnerships and approximate fair value. Fair values for private equity partnerships are primarily derived from partnership financial statement valuations provided by the general partner. Fair values for surplus notes are based on prices obtained from independent pricing services or quoted market prices.

NOTES TO FINANCIAL STATEMENTS

Separate Accounts: The Company's separate account investments consist of publicly traded mutual funds with fair values published by the respective investment companies.

Deposit-Type Contracts: Deposit-type contracts represent customer deposits plus interest credited at contract rates. Deposits and withdrawals are recorded using deposit accounting and are credited directly to an appropriate policy reserve account. Admitted values approximate fair values.

Unfunded Commitments to Investment Partnerships: Unfunded equity commitments represent legally binding amounts that the Company has committed to certain investment partnerships subject to the partnerships meeting specified conditions. When these conditions are met, the Company is obligated to invest these amounts in the partnerships. Admitted values approximate fair values.

Fair values for the Company's insurance contracts other than investment contracts are not required to be disclosed. However, the fair values of liabilities under all insurance contracts are taken into consideration in the Company's overall management of interest rate risk, which minimizes exposure to changing interest rates through the matching of investment maturities with amounts due under insurance contracts.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and, therefore, represents an exit price, not an entry price. The exit price objective applies regardless of a reporting entity's intent and/or ability to sell the asset or transfer the liability at the measurement date.

The degree of judgment utilized in measuring the fair value of financial instruments generally correlates to the level of pricing observability. Financial instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices in active markets generally have more pricing observability and less judgment utilized in measuring fair value. An active market for a financial instrument is a market in which transactions for an asset or a similar asset occur with sufficient frequency and volume to provide pricing information on an ongoing basis. A quoted price in an active market provides the most reliable evidence of fair value and should be used to measure fair value whenever available. Conversely, financial instruments rarely traded or not quoted have less observability and are measured at fair value using valuation techniques that require more judgment. Pricing observability is generally impacted by a number of factors, including the type of financial instrument, whether the financial instrument is new to the market and not yet established, the characteristics specific to the transaction, and overall market conditions.

Valuation techniques used for assets and liabilities accounted for at fair value are generally categorized into three types. The market approach uses prices and other relevant information from market transactions involving identical or comparable assets or liabilities. The income approach converts future amounts, such as cash flows or earnings, to a single present amount, or a discounted amount. The cost approach is based upon the amount that currently would be required to replace the service capacity of an asset, or the current replacement cost.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available that can be obtained without undue cost and effort. In some cases, a single valuation technique will be appropriate (for example, when valuing an asset or liability using quoted prices in an active market for identical assets or liabilities). In other cases, multiple valuation techniques will be appropriate. If the Company uses multiple valuation techniques to measure fair value, it evaluates and weighs the results, as appropriate, considering the reasonableness of the range indicated by those results. A fair value measurement is the point within that range that is most representative of fair value in the circumstances.

The selection of the valuation method(s) to apply considers the definition of an exit price and depends on the nature of the asset or liability being valued. The Company generally uses valuation techniques consistent with the market approach, and to a lesser extent, the income approach. The Company believes the market approach valuation technique provides more observable data than the income approach, considering the type of investments the Company holds. The Company's fair value measurements could differ significantly based on the valuation technique and available inputs. When using a pricing service, the Company obtains the vendor's pricing documentation to ensure the Company understands their methodologies. The Company periodically reviews and approves the selection of its pricing vendors to ensure the Company is in agreement with their current methodologies. When markets are less active, brokers may rely more on models with inputs based on the information available only to the broker. The Company's internal investment management professionals, which include portfolio managers and analysts, monitor securities priced by brokers and evaluate their prices for reasonableness based on benchmarking to available primary and secondary market information. In weighing a broker quote as an input to fair value, the Company places less reliance on quotes that do not reflect the result of market transactions. The Company also considers the nature of the quote, particularly whether the quote is a binding offer. If prices in an inactive market do not reflect current prices for the same or similar assets, adjustments may be necessary to arrive at fair value. When relevant market data is unavailable, which may be the case during periods of market uncertainty, the income approach can, in suitable circumstances, provide a more appropriate fair value. During 2013, the Company has applied valuation techniques on a consistent basis to similar assets and liabilities and consistent with those techniques used at year end 2012.

The Company uses observable and unobservable inputs in measuring the fair value of its financial instruments. Inputs that may be used include the following:

- Broker market maker prices and price levels
- Trade Reporting and Compliance Engine (TRACE) pricing
- Prices obtained from external pricing services
- Benchmark yields (Treasury and interest rate swap curves)
- Transactional data for new issuance and secondary trades
- Security cash flows and structures
- Recent issuance/supply
- Sector and issuer level spreads
- Security credit ratings/maturity/capital structure/optionality

NOTES TO FINANCIAL STATEMENTS

- Corporate actions
- Underlying collateral
- Prepayment speeds/loan performance/delinquencies/weighted average life/seasoning
- Public covenants
- Comparative bond analysis
- Derivative spreads
- Relevant reports issued by analysts and rating agencies
- Audited financial statements

The management of the Company's investment portfolio includes establishing pricing policy and reviewing the reasonableness of sources and inputs used in developing pricing. The Company reviews all prices obtained to ensure they are consistent with a variety of observable market inputs and to verify the validity of a security's price. In the event the Company receives a vendor's market price that does not appear reasonable based on its market analysis, the Company may challenge the price and request further information about the assumptions and methodologies used by the vendor to price the security. The Company may change the vendor price based on a better data source such as an actual trade. The Company also reviews all price changes from the prior month which fall outside a predetermined corridor. The overall valuation process for determining fair values may include adjustments to valuations obtained from the Company's pricing sources when they do not represent a valid exit price. These adjustments may be made when, in the Company's judgment and considering its knowledge of the financial conditions and industry in which the issuer operates, certain features of the financial instrument require that an adjustment be made to the value originally obtained from the Company's pricing sources. These features may include the complexity of the financial instrument, the market in which the financial instrument is traded, counterparty credit risk, credit structure, concentration, or liquidity. Additionally, an adjustment to the price derived from a model typically reflects the Company's judgment of the inputs that other participants in the market for the financial instrument being measured at fair value would consider in pricing that same financial instrument. In the event an asset is sold, the Company tests the validity of the fair value determined by its valuation techniques by comparing the selling price to the fair value determined for the asset in the immediately preceding month end reporting period closest to the transaction date.

The parameters and inputs used to validate a price on a security may be adjusted for assumptions about risk and current market conditions on a quarter to quarter basis, as certain features may be more significant drivers of valuation at the time of pricing. Changes to inputs in valuations are not changes to valuation methodologies; rather, the inputs are modified to reflect direct or indirect impacts on asset classes from changes in market conditions.

Certain of the Company's investments do not have readily determinable market prices and/or observable inputs or may at times be affected by the lack of market liquidity. For these securities, the Company uses internally prepared valuations combining matrix pricing with vendor purchased software programs, including valuations based on estimates of future profitability, to estimate the fair value. Additionally, the Company may obtain prices from independent third-party brokers to aid in establishing valuations for certain of these securities. Key assumptions used to determine fair value for these securities include risk free interest rates, risk premiums, performance of underlying collateral (if any), and other factors involving significant assumptions which may or may not reflect those of an active market.

The Company considers transactions in inactive or disorderly markets to be less representative of fair value. The Company uses all available observable inputs when measuring fair value, but when significant other unobservable inputs and adjustments are necessary, it classifies these assets or liabilities as Level 3.

D. Not applicable

21. Other Items

A. Not applicable

B. Not applicable

C. Effective October 1, 2013, the Company recaptured a block of group long-term disability claims which was ceded to an affiliate, UnumProvident International Ltd., on a modified coinsurance basis in 2008. The recapture included $991,411,756 in modified coinsurance reserves. The Company recognized an after-tax loss of $52,190,954 on the recapture.

During 2009, the Company entered into a quota share reinsurance agreement with RGA Americas Reinsurance Company, Ltd. under which the Company cedes specified blocks of group long-term disability claims. The agreement is on a combination coinsurance with funds withheld and modified coinsurance basis and provides 80 percent quota share reinsurance on this block of ceded business. The Company ceded additional funds withheld reserves and modified coinsurance reserves of $3,609,242 and $357,314,980, respectively, effective September 1, 2012 and $11,193,841 and $1,108,190,226, respectively, effective October 1, 2013. Included within the 2013 transaction were 80 percent of the reserves for the block of claims recaptured from UnumProvident International Ltd.

Effective October 1, 2012, the Company entered into an excess risk reinsurance arrangement with an affiliate, Colonial Life & Accident Insurance Company, under which the Company assumed certain group life and group accidental death and dismemberment policies. As of and for the years ended December 31, 2013 and 2012, assumed premiums and reserves were immaterial.

Purchase obligations at December 31, 2013 include commitments of $39,713,279 to fund certain privately placed investments and commercial mortgage loans.

D. Not applicable

E. State Transferable and Non-transferable Tax Credits

NOTES TO FINANCIAL STATEMENTS

As of December 31, 2013, the Company had the following related to state tax credits:

(1) Carrying Value of Transferable and Non-transferable State Tax Credits gross of any related tax liabilities and total unused transferable and non-transferable state tax credits by state and in total

Description of State Transferable and Non-transferable Tax Credits	State	Carrying Value	Unused Amount
Lowe's, Urban Industrial Site Reinvestment	CT	$ 284,750	$ 335,000
Rocket Transfer Station, Enterprise Zone	IA	241,079	270,875
United Front, LIHTC	MA	-	1,000,000
Sacred Heart, LIHTC	MA	108,693	543,470
Hadley, LIHTC	MA	1,220,827	1,863,108
Harrop, REAL	PA	123,316	134,039
Smith & Beaman Building, Historic	RI	832,500	925,000
INVESTCO	TN	7,901,216	10,325,000
North America Life Insurance Company, CAPCO	TX	321,828	378,621
Total		$ 11,034,209	$ 15,775,113

(2) Method of Estimating Utilization of Remaining Transferable and Non-transferable State Tax Credits

All of the Company's state tax credits are transferable, and the method of estimating utilization of those remaining is based on historical premium tax incurred.

(3) Impairment Loss

Not applicable

(4) State Tax Credits Admitted and Nonadmitted

	Total Admitted	Total Nonadmitted
a. Transferable	$ 11,034,209	$ -
b. Non-transferable	-	-

F. Subprime Mortgage Related Risk Exposure

(1) At December 31, 2013, the Company held no investments with subprime mortgage risk exposure. The Company's definition of subprime mortgages is based primarily on the underlying credit scores of the loans, specifically the FICO score. To ensure proper mitigation of subprime mortgage risk, the Company's investment strategy is to avoid purchasing any investments with subprime exposure. Risk assessment is performed and analyzed prior to the purchase of any mortgage-backed securities to ensure the transaction is in compliance with the Company's policy to avoid subprime mortgage risk exposure.

(2) Not applicable

(3) Not applicable

(4) Not applicable

G. Retained Assets

(1) The Company's retained asset accounts represent payments of life insurance proceeds which are retained by the Company within the general account. These accounts are reported in the annual statement as cash and supplemental contracts without life contingencies. The accountholder has the full and unfettered right to withdraw funds in whole or in part at any time, except that, in the event that the amount in the account falls below $250, a payment is made to the accountholder for the current balance in the account, and the account is closed. During 2013, accountholders were credited interest equal to 1% annual interest compounded on a monthly basis from the date on which the account was created. As required by the majority of the Company's group life policy contracts, the retained asset account is the method for paying benefits exceeding $10,000, unless the beneficiary requests other settlement options. Retained asset accounts are also used to pay life insurance proceeds to minor beneficiaries.

NOTES TO FINANCIAL STATEMENTS

(2) Aging of retained asset accounts is as follows:

	In Force			
	December 31, 2013		December 31, 2012	
	Number	Balance	Number	Balance
a. Up to and including 12 Months	3,733	$ 183,410,078	3,487	$ 165,015,868
b. 13 to 24 Months	2,177	88,249,130	2,299	86,249,757
c. 25 to 36 Months	1,634	59,744,655	2,009	66,006,441
d. 37 to 48 Months	1,572	49,415,032	1,288	41,464,842
e. 49 to 60 Months	1,051	33,727,799	992	25,263,967
f. Over 60 Months	4,490	98,787,692	4,356	94,348,090
g. Total Inforce	14,657	$ 513,334,386	14,431	$ 478,348,965

(3) Changes in retained asset accounts for the year ended December 31, 2013 are as follows:

	Individual		Group	
	Number	Balance/Amount	Number	Balance/Amount
a. Number/balance of retained asset accounts at the beginning of the year	1	$ 16,502	14,430	$ 478,332,463
b. Number/amount of retained asset accounts issued/added during the year	-	-	8,648	514,762,180
c. Investment earnings credited to retained asset accounts during the year	NA	166	NA	4,949,608
d. Fees and other charges assessed to retained asset accounts during the year	NA	-	NA	4,715
e. Number/amount of retained asset accounts transferred to state unclaimed property funds during the year	-	-	10	201,333
f. Number/amount of retained asset accounts closed/withdrawn during the year	-	-	8,412	484,520,485
g. Number/balance of retained asset accounts at the end of the year	1	$ 16,668	14,656	$ 513,317,718

H. Not applicable

I. Not applicable

22. Events Subsequent

Subsequent events were evaluated through the time at which the financial statements were issued on February 21, 2014. The Company is not aware of any events subsequent to December 31, 2013 that could have a material effect on its financial condition.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

   Yes ( )   No (X)

   If yes, give full details.

2. Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

   Yes ( )   No (X)

Section 2 – Ceded Reinsurance Report – Part A

1. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

   Yes ( )   No (X)

NOTES TO FINANCIAL STATEMENTS

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. $______________

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? $______________

2. Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

   Yes ( ) No (X)

   If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

1. What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.

   $ None

2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

   Yes (X) No ( )

   If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? An initial modified coinsurance reserve of $1,108,190,226 and an initial funds withheld reserve of $11,193,841.

B. Uncollectible Reinsurance:

   Not applicable

C. Commutation of Ceded Reinsurance:

   The Company reported in its current year operations, as a result of a commutation of reinsurance with UnumProvident International, Ltd., amounts paid as:

   (1) Commissions on Reinsurance Ceded $81,854,568

D. Certified Reinsurer Rating Downgrade or Status Subject to Revocation

   Not applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. The Company estimates accrued retrospective premium adjustments for its group life and group health insurance business based on the financial experience of the policyholder. The experience is calculated by netting the actual claim experience, expenses, and agreed upon profit margin against the contract premium.

B. The Company records accrued retrospective premium as an adjustment to earned premium.

C. The amount of net premiums written by the Company at December 31, 2013 that are subject to retrospective rating features was $23,972,205 for group life, representing 3.7% of the total net premiums written for group life business, and $21,147,973 for group health, representing 1.0% of the total net premiums written for group health business. No other net premiums written by the Company are subject to retrospective rating features.

D. Not applicable

NOTES TO FINANCIAL STATEMENTS

25. Change in Incurred Losses and Loss Adjustment Expenses

As of December 31, 2012, reserves for unpaid claim and claim adjustment expenses attributable to claims incurred on or before that date were $8,621,282,321. For the twelve months ended December 31, 2013, $1,627,973,427 had been paid for incurred claims and claim adjustment expenses, attributable to claims incurred in prior years. As of December 31, 2013, reserves remaining for prior years were $7,138,414,371 as a result of re-estimation of unpaid claims and claim adjustment expenses, principally on accident and health policies. Therefore, there has been a $145,105,477 cost related to prior year development for the period December 31, 2012 to December 31, 2013, excluding net investment income of $470,718,152 earned on invested assets supporting these reserves during the same period. The majority of the reserve balance is related to disability claims with long-tail payouts on which interest earned on assets backing the liabilities is an integral part of reserving, and this should be considered in understanding the development of prior year claims.

26. Intercompany Pooling Arrangements

Not applicable

27. Structured Settlements

A.		
	Loss Reserves Eliminated by Annuities	$1,005,605
	Unrecorded Loss Contingencies	$0
B.		
	Life Insurance Company and Location	N/A
	Licensed in Company's State of Domicile	N/A
	Statement Value (i.e., Present Value of Annuities)	N/A

28. Health Care Receivables

Not applicable

29. Participating Policies

For the year ended December 31, 2013, the amount of participating business constitutes 40% of the total insurance in force face amount. The participating policies have the following dividend options: a) cash dividends, b) applied to reduce premium, c) applied to purchase paid-up additions, d) left to accumulate interest, and e) applied to purchase one year term insurance. The Company accounts for its policyholder dividends based upon the dividend option elected by the policyholder. The Company paid dividends in the amount of $12,304,099 to policyholders and did not allocate any additional income to such policyholders.

30. Premium Deficiency Reserves

1.	Liability Carried for Premium Deficiency Reserves	$0
2.	Date of the Most Recent Evaluation of this Liability	12/31/2013
3.	Was Anticipated Investment Income Utilized in the Calculation?	Yes

31. Reserves for Life Contracts and Annuity Contracts

(1) Principally, the Company waives deduction of deferred fractional premiums upon death of the insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of legally computed reserves.

(2) The extra reserve on annual premium policies subject to an extra premium is one-half the extra annual gross premium. The extra reserve for single premium policies subject to an extra premium is one-half the extra gross single premium. The rating-up in age method and liens are not used by the Company.

(3) As of December 31, 2013, the Company had $5,293,534 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation required by the State of Maine. Reserves to cover the above insurance totaled $32,890 at year-end and are reported in Exhibit 5, Life Insurance and Annuities sections.

(4) The tabular interest, tabular less actual reserve released, and tabular cost have each been determined by formula as described in the instructions.

(5) For the determination of tabular interest on supplemental contracts and dividend accumulations not involving life contingencies, the tabular interest is determined by formula 3 as described in the instructions. Tabular interest on deposit funds other than supplemental contracts and dividend accumulations is determined using actual interest credited and/or accrued to the funds.

(6) There were no other material reserve changes.

NOTES TO FINANCIAL STATEMENTS

32. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	Percent of Total
A. Subject to discretionary withdrawal:					
(1) With fair value adjustment	$ -	$ -	$ -	$ -	- %
(2) At book value less current surrender charge of 5% or more	768,583	-	-	768,583	0.1
(3) At fair value	-	-	8,666,874	8,666,874	0.9
(4) Total with adjustment or at market value	768,583	-	8,666,874	9,435,457	1.0
(5) At book value without adjustment (minimal or no charge or adjustment)	781,001,541	-	-	781,001,541	87.1
B. Not subject to discretionary withdrawal	106,295,231	-	-	106,295,231	11.9
C. Total (gross: direct + assumed)	888,065,355	-	8,666,874	896,732,229	100.0 %
D. Reinsurance ceded	171,195,699	-	-	171,195,699	
E. Total (net) * (C) – (D)	$ 716,869,656	$ -	$ 8,666,874	$ 725,536,530	

*Reconciliation of total annuity reserves and deposit fund liabilities

F.

	Amount
Life & Accident & Health Annual Statement:	
(1) Exhibit 5, Annuities Section, Total (net)	$ 99,442,179
(2) Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	3,024,224
(3) Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	614,403,253
(4) Subtotal	716,869,656
Separate Accounts Annual Statement:	
(5) Exhibit 3, Line 0299999, Column 2	-
(6) Exhibit 3, Line 0399999, Column 2	-
(7) Policyholder Dividend and Coupon Accumulations	8,666,874
(8) Policyholder Premiums	-
(9) Guaranteed Interest Contracts	-
(10) Other Contract Deposit Funds	-
(11) Subtotal	8,666,874
(12) Combined Total	$ 725,536,530

G. Not applicable

33. Premium & Annuity Considerations Deferred and Uncollected

Deferred and uncollected life insurance premiums as of December 31, 2013 were as follows:

	Type	Gross	Net of Loading
(1)	Industrial	$ -	$ -
(2)	Ordinary new business	131,331	22,089
(3)	Ordinary renewal	709,572	524,248
(4)	Credit Life	-	-
(5)	Group Life	53,311,302	53,311,302
(6)	Group Annuity	-	-
(7)	Total	$ 54,152,205	$ 53,857,639

34. Separate Accounts

A. Separate Account Activity:

(1) Separate accounts held by the Company represent variable annuity contract funds which the Company invests in pooled investment securities on behalf of the accounts' contractholders.

In accordance with the domiciliary state procedures for approving items within the separate account, the separate account classification of the variable annuity contract funds are supported by Maine Insurance Code 24-A s 2537.

(2) All assets within the separate account are legally insulated from the general account. The legal insulation of the separate account assets prevents such assets from being generally available to satisfy claims resulting from the general account.

NOTES TO FINANCIAL STATEMENTS

(3) As discussed in section B below, there are certain guarantees associated with the separate account. As of December 31, 2013, the general account of the Company had a maximum guarantee for separate account liabilities of $231. To compensate the general account for the risk taken, the separate account paid risk charges as follows for the past four years.

a.	2013	$ 100,336
b.	2012	$ 94,495
c.	2011	$ 100,891
d.	2010	$ 97,388

The general account of the Company did not pay any amounts to contractholders due to separate account guarantees during the years ended December 31, 2013, 2012, 2011, and 2010.

(4) Not applicable

B. General Nature and Characteristics of Separate Accounts Business:

The variable annuity contract funds held in the separate accounts do not have a guaranteed return. The net investment experience of the separate accounts is credited directly to the contractholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of account value or premium paid. The separate account also provides a mortality guarantee, such that contractholders that have annuitized are guaranteed they will continue to receive annuity benefits if they live longer than actuarially projected.

NOTES TO FINANCIAL STATEMENTS

Information regarding the separate accounts of the Company is as follows:

	Indexed	Nonindexed Guarantee Less than/equal to 4%	Nonindexed Guarantee More than 4%	Nonguaranteed Separate Accounts	Total
(1) Premiums, Considerations or deposits for the year ended 12/31/2013				$ 36,229	$ 36,229
Reserves at 12/31/2013					
(2) For accounts with assets at:					
a. Fair value				$ 8,666,874	$ 8,666,874
b. Amortized cost				-	-
c. Total Reserves*				$ 8,666,874	$ 8,666,874
(3) By withdrawal characteristics:					
a. Subject to discretionary withdrawal:				$ -	$ -
b. With FV adjustment				-	-
c. At book value without FV adjustments and with current surrender charge of 5% or more				-	-
d. At fair value				8,666,874	8,666,874
e. At book value without FV adjustment and with current surrender charge less than 5%				-	-
f. Subtotal				8,666,874	8,666,874
g. Not subject to discretionary withdrawal				-	-
h. Total				$ 8,666,874	$ 8,666,874
* Line 2(c) should equal Line 3(h)					
(4) Reserves for Asset Default Risk in Lieu of AVR:				$ -	$ -

C. Reconciliation of Net Transfers To or (From) Separate Accounts:

(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:	
a. Transfers to Separate Accounts (Page 4, Line 1.4)	$ 36,229
b. Transfers from Separate Accounts (Page 4, Line 10)	1,185,566
c. Net transfers to or (From) Separate Accounts (a) – (b)	$ (1,149,337)
(2) Reconciling Adjustments:	
a. Net Contractholder distributions	-
(3) Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement (1c) + (2) = (Page 4, Line 26)	$ (1,149,337)

35. Loss/Claim Adjustment Expenses

The liability for unpaid accident and health claim adjustment expenses as of December 31, 2013 and 2012 was $182,617,938 and $188,240,229, respectively.

The Company incurred $180,454,437 and paid $186,076,728 of claim adjustment expenses during 2013, of which $147,296,809 of the paid amount was attributable to insured or covered events of prior years. The Company did not increase or decrease the provision for insured events of prior years.

The Company took into account estimated anticipated salvage and subrogation in its determination of the liability for unpaid claims/losses. There was no material value to the estimated salvage and subrogation.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]
If yes, complete Schedule Y, Parts 1, 1A and 2

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [ ] N/A [ ]

1.3 State Regulating? ME

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2008

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/22/2010

3.4 By what department or departments?
Maine

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] N/A [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [ ] N/A [ ]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [ ] No [X]
4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [ ] No [X]
4.22 renewals? Yes [ ] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

7.2 If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP
Republic Centre, Suite 1500
633 Chestnut Street
Chattanooga, TN 37450-1501

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [ ] N/A [ ]

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Albert A. Riggieri, FSA, MAAA
Senior Vice President, Chief Actuary & Appointed Actuary
1 Fountain Square
Chattanooga, TN 37402

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value $

12.2 If, yes provide explanation:

13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

14.11 If the response to 14.1 is No, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers $
- 20.12 To stockholders not officers $
- 20.13 Trustees, supreme or grand (Fraternal Only) $

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers $
- 20.22 To stockholders not officers $
- 20.23 Trustees, supreme or grand (Fraternal Only) $

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others $
- 21.22 Borrowed from others $
- 21.23 Leased from others $
- 21.24 Other $

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No [ ]

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $ 1,343,639
- 22.22 Amount paid as expenses $
- 22.23 Other amounts paid $

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [X]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $

INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [ ] No [X]

24.02 If no, give full and complete information relating thereto
All other stocks and bonds are held in the Company's custodial accounts at JPMorgan Chase Bank, New York, NY and The Bank of New York Mellon, New York, NY.

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
See Note 17 for a discussion of the Company's Securities Lending Program.

24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [ ] N/A [ ]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 82,359,294

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [ ] N/A [ ]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [ ] N/A [ ]

24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [X] No [ ] N/A [ ]

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. $ 38,215,203
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 38,215,203
24.103 Total payable for securities lending reported on the liability page. $ 38,215,203

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [X] No [ ]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements $
25.22 Subject to reverse repurchase agreements $
25.23 Subject to dollar repurchase agreements $
25.24 Subject to reverse dollar repurchase agreements $
25.25 Pledged as collateral $ 52,709,862
25.26 Placed under option agreements $
25.27 Letter stock or other securities restricted as to sale $
25.28 On deposit with state or other regulatory body $ 261,717,436
25.29 Other $

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [X] No [ ]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [X] No [ ] N/A [ ]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year. $

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No [ ]

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
JPMorgan Chase Bank, N.A.	New York, NY

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]
28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
	Provident Investment Management, LLC	Chattanooga, TN
	JPMorgan Chase Bank, N.A.	New York, NY

GENERAL INTERROGATORIES

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [ ] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	16,820,806,296	18,923,035,811	2,102,229,515
30.2 Preferred stocks	13,000,000	13,934,298	934,298
30.3 Totals	16,833,806,296	18,936,970,109	2,103,163,813

30.4 Describe the sources or methods utilized in determining the fair values:

Bonds: Barclays Capital Pricing, Interactive Data Pricing, TRACE, and Various Brokers. For private placement securities, internal estimates may be used based on discounting cash flows at the current market applicable to the yield, credit quality, and maturity of the bonds. Preferred Stocks: Various Brokers. See Note 20 for further discussion.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No [ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [ ] No [X]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

The Company generally obtains a copy of the pricing policy of those brokers used as pricing sources. However, the written pricing policies of all brokers may not be made available for the Company's use. For those securities in which a broker is used as pricing source, the Company's policy is to analyze and confirm each price to determine whether it is appropiate based on other observable market data. If the price cannot be validated by observable market data, the Company will not use the broker's price to value the security.

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No [ ]

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 1,334,918

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
None	

34.1 Amount of payments for legal expenses, if any? $ 2,834,493

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Pierce Atwood, LLP	938,706

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 38,234

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Life Insurance Council of New York	26,883

GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]

1.2 If yes, indicate premium earned on U.S. business only $

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $
1.31 Reason for excluding:

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. $

1.5 Indicate total incurred claims on all Medicare Supplement insurance. $

1.6 Individual policies:

Most current three years:
1.61 Total premium earned $
1.62 Total incurred claims $
1.63 Number of covered lives

All years prior to most current three years
1.64 Total premium earned $
1.65 Total incurred claims $
1.66 Number of covered lives

1.7 Group policies:

Most current three years:
1.71 Total premium earned $
1.72 Total incurred claims $
1.73 Number of covered lives

All years prior to most current three years
1.74 Total premium earned $
1.75 Total incurred claims $
1.76 Number of covered lives

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	2,792,691	224,137
2.2	Premium Denominator	2,794,217,187	2,702,000,365
2.3	Premium Ratio (2.1/2.2)	0.001	0.000
2.4	Reserve Numerator	609,455,407	615,322,818
2.5	Reserve Denominator	9,936,367,752	10,099,081,147
2.6	Reserve Ratio (2.4/2.5)	0.061	0.061

3.1 Does this reporting entity have Separate Accounts? Yes [X] No [ ]

3.2 If yes, has a Separate Accounts Statement been filed with this Department? Yes [X] No [ ] N/A [ ]

3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? $ 0

3.4 State the authority under which Separate Accounts are maintained:
Maine Law

3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes [ ] No [X]

3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [ ] No [X]

3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"? 0

4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes [X] No [ ]

4.2 Net reimbursement of such expenses between reporting entities:

4.21 Paid $ 726,332,557
4.22 Received $

5.1 Does the reporting entity write any guaranteed interest contracts? Yes [ ] No [X]

5.2 If yes, what amount pertaining to these lines is included in:

5.21 Page 3, Line 1 $
5.22 Page 4, Line 1 $

6. FOR STOCK REPORTING ENTITIES ONLY:

6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: $ 1,507,631,865

7. Total dividends paid stockholders since organization of the reporting entity:

7.11 Cash $ 2,649,503,430
7.12 Stock $ 203,939,371

GENERAL INTERROGATORIES

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Yes [X] No [ ]
Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? Yes [X] No [ ]

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
8.31 Earned premium	5,321	5,321	
8.32 Paid claims	9,285,222	8,951,081	334,141
8.33 Claim liability and reserve (beginning of year)	108,844,365	99,651,084	9,193,282
8.34 Claim liability and reserve (end of year)	100,537,043	93,015,412	7,521,632
8.35 Incurred claims	977,900	2,315,408	(1,337,509)

8.4 If reinsurance assumed included amounts with attachment points below $1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41	<$25,000		
8.42	$25,000 - 99,999		
8.43	$100,000 - 249,999		
8.44	$250,000 - 999,999		
8.45	$1,000,000 or more	5,321	100,537,043

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? $ 5,321

9.1 Does the company have variable annuities with guaranteed benefits? Yes [X] No [ ]

9.2 If 9.1 is yes, complete the following table for each type of guaranteed benefit.

Type		3	4	5	6	7	8	9
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit	Waiting Period Remaining	Account Value Related to Col. 3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserve Credit
Return of Premium	None	N/A	N/A	8,666,874	0	Exhibit 7	100%	0

10. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only:
10.1 Amount of loss reserves established by these annuities during the current year: $ 0
10.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

1 P&C Insurance Company And Location	2 Statement Value on Purchase Date of Annuities (i.e., Present Value)

11.1 Do you act as a custodian for health savings accounts? Yes [ ] No [X]

11.2 If yes, please provide the amount of custodial funds held as of the reporting date. $

11.3 Do you act as an administrator for health savings accounts? Yes [ ] No [X]

11.4 If yes, please provide the balance of funds administered as of the reporting date. $

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.
Show amounts of life insurance in this exhibit in thousands (OMIT $000)

		1 2013	2 2012	3 2011	4 2010	5 2009
	Life Insurance in Force					
	(Exhibit of Life Insurance)					
1.	Ordinary - whole life and endowment (Line 34, Col. 4)	845,906	889,546	924,093	950,082	993,064
2.	Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)	24,718	33,240	67,440	70,153	73,242
3.	Credit life (Line 21, Col. 6)					
4.	Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	503,627,556	490,956,839	460,838,281	451,573,761	427,936,571
5.	Industrial (Line 21, Col. 2)					
6.	FEGLI/SGLI (Lines 43 & 44, Col. 4)					
7.	Total (Line 21, Col. 10)	504,498,180	491,879,625	461,829,814	452,593,997	429,002,877
	New Business Issued					
	(Exhibit of Life Insurance)					
8.	Ordinary - whole life and endowment (Line 34, Col. 2)	34,285	38,741	50,266	57,727	36,412
9.	Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2)				0	0
10.	Credit life (Line 2, Col. 6)					
11.	Group (Line 2, Col. 9)	63,394,752	81,436,870	65,213,333	61,553,099	74,257,329
12.	Industrial (Line 2, Col. 2)					
13.	Total (Line 2, Col. 10)	63,429,037	81,475,611	65,263,599	61,610,826	74,293,741
	Premium Income - Lines of Business					
	(Exhibit 1 - Part 1)					
14.	Industrial life (Line 20.4, Col. 2)					
15.1	Ordinary-life insurance (Line 20.4, Col. 3)	11,140,954	11,506,819	12,113,317	11,931,778	12,546,658
15.2	Ordinary-individual annuities (Line 20.4, Col. 4)					
16	Credit life (group and individual) (Line 20.4, Col. 5)					
17.1	Group life insurance (Line 20.4, Col. 6)	648,940,850	640,502,728	600,705,254	603,160,580	572,233,918
17.2	Group annuities (Line 20.4, Col. 7)					
18.1	A & H-group (Line 20.4, Col. 8)	2,129,853,054	2,045,125,454	1,984,866,800	1,991,421,730	2,043,045,913
18.2	A & H-credit (group and individual) (Line 20.4, Col. 9)					
18.3	A & H-other (Line 20.4, Col. 10)	4,282,328	4,865,364	5,371,589	5,972,390	6,638,135
19.	Aggregate of all other lines of business (Line 20.4,Col. 11)	166,842	571,357	(655,891)	722,377	732,175
20.	Total	2,794,384,029	2,702,571,722	2,602,401,069	2,613,208,854	2,635,196,800
	Balance Sheet (Pages 2 & 3)					
21.	Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)	19,069,868,981	18,872,091,611	18,295,865,637	17,813,914,900	17,206,594,832
22.	Total liabilities excluding Separate Accounts business (Page 3, Line 26)	17,512,001,934	17,298,558,940	16,747,081,210	16,274,287,557	15,665,475,694
23.	Aggregate life reserves (Page 3, Line 1)	986,336,799	997,443,973	969,078,624	956,942,518	932,715,481
24.	Aggregate A & H reserves (Page 3, Line 2)	8,180,937,849	8,364,249,400	8,423,555,361	8,536,572,246	8,575,486,254
25.	Deposit-type contract funds (Page 3, Line 3)	614,403,253	587,781,733	557,035,039	564,243,760	497,842,580
26.	Asset valuation reserve (Page 3, Line 24.01)	202,440,064	190,657,022	199,543,100	201,483,206	155,836,932
27.	Capital (Page 3, Lines 29 and 30)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
28.	Surplus (Page 3, Line 37)	1,552,867,048	1,568,532,672	1,543,784,427	1,534,627,342	1,536,119,138
	Cash Flow (Page 5)					
29.	Net Cash from Operations (Line 11)	(91,143,788)	133,502,613	62,494,533	129,016,663	66,794,157
	Risk-Based Capital Analysis					
30.	Total adjusted capital	1,769,451,698	1,773,316,869	1,758,455,552	1,751,247,173	1,706,739,148
31.	Authorized control level risk - based capital	224,247,861	223,210,543	222,546,813	223,325,566	224,735,427
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets					
	(Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32.	Bonds (Line 1)	91.2	90.4	90.9	91.8	92.1
33.	Stocks (Lines 2.1 and 2.2)	0.2	0.2	0.3	0.3	0.2
34.	Mortgage loans on real estate(Lines 3.1 and 3.2)	4.5	4.7	4.5	4.4	4.5
35.	Real estate (Lines 4.1, 4.2 and 4.3)	0.5	0.5	0.6	0.6	0.7
36.	Cash, cash equivalents and short-term investments (Line 5)	1.3	1.3	1.3	1.3	1.6
37.	Contract loans (Line 6)	0.3	0.3	0.4	0.4	0.4
38.	Derivatives (Page 2, Line 7)	0.0				XXX
39.	Other invested assets (Line 8)	1.7	1.7	1.2	1.2	0.4
40.	Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.1
41.	Securities lending reinvested collateral assets (Line 10)	0.2	0.9	0.8		XXX
42.	Aggregate write-ins for invested assets (Line 11)					
43.	Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

		1 2013	2 2012	3 2011	4 2010	5 2009
	Investments in Parent, Subsidiaries and Affiliates					
44.	Affiliated bonds (Schedule D Summary, Line 12, Col. 1)					
45.	Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1)					
46.	Affiliated common stocks (Schedule D Summary Line 24, Col. 1),	28,298,299	25,995,018	26,407,639	26,475,258	22,934,344
47.	Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)					
48.	Affiliated mortgage loans on real estate					
49.	All other affiliated					
50.	Total of above Lines 44 to 49	28,298,299	25,995,018	26,407,639	26,475,258	22,934,344
51.	Total Investment in Parent included in Lines 44 to 49 above					
	Total Nonadmitted and Admitted Assets					
52.	Total nonadmitted assets (Page 2, Line 28, Col. 2)	230,635,039	214,593,268	231,956,869	226,396,438	236,793,901
53.	Total admitted assets (Page 2, Line 28, Col. 3)	19,078,536,320	18,879,795,078	18,303,506,089	17,822,750,751	17,214,784,050
	Investment Data					
54.	Net investment income (Exhibit of Net Investment Income)	1,080,937,340	1,092,563,655	1,082,620,086	1,059,636,742	1,017,967,843
55.	Realized capital gains (losses) (Page 4, Line 34, Column 1)	(19,870,699)	(22,374,950)	(28,630,746)	(10,541,085)	(53,073,591)
56.	Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	2,730,727	1,048,937	(977,659)	6,336,939	9,673,292
57.	Total of above Lines 54, 55 and 56	1,063,797,368	1,071,237,642	1,053,011,681	1,055,432,596	974,567,544
	Benefits and Reserve Increases (Page 6)					
58.	Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11,12, 13, 14 and 15 Cols. 9, 10 and 11)	473,275,811	444,877,877	409,558,678	387,143,359	388,076,037
59.	Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)	1,237,991,186	1,200,359,666	1,161,903,419	1,127,077,852	1,139,653,733
60.	Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3)	(4,238,036)	(3,471,930)	(3,499,628)	(4,972,006)	(3,392,958)
61.	Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)	(172,459,078)	(55,804,996)	(109,195,313)	(34,584,556)	(95,056,297)
62.	Dividends to policyholders (Line 30, Col. 1)	12,204,098	10,635,427	13,520,960	13,884,063	14,335,345
	Operating Percentages					
63.	Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0	33.4	29.1	29.5	29.1	29.6
64.	Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0	5.9	5.3	6.1	8.1	11.5
65.	A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2)	53.7	59.7	57.1	59.0	54.9
66.	A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2)	3.8	3.9	4.2	4.2	3.8
67.	A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2)	35.6	30.1	30.1	29.4	29.9
	A & H Claim Reserve Adequacy					
68.	Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2)	6,704,426,374	6,716,853,517	6,840,915,320	6,917,159,850	7,044,296,165
69.	Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2)	6,671,210,258	6,752,218,109	6,825,447,020	6,876,412,327	6,977,431,576
70.	Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2)	2,061,961,422	2,106,421,798	2,083,220,212	2,102,743,235	2,059,114,666
71.	Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2)	1,950,072,063	1,916,578,465	1,942,458,191	1,914,424,823	1,917,659,738
	Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72.	Industrial life (Col. 2)					
73.	Ordinary - life (Col. 3)	(993,815)	468,460	(747,128)	(911,253)	(1,813,101)
74.	Ordinary - individual annuities (Col. 4)	12,708	11,425	23,121	33,450	46,908
75.	Ordinary-supplementary contracts (Col. 5)	12,838,892	10,689,167	8,697,731	7,507,349	19,078,638
76.	Credit life (Col. 6)					
77.	Group life (Col. 7)	52,594,863	59,246,148	69,602,084	79,770,132	57,290,330
78.	Group annuities (Col. 8)	3,739,312	2,643,690	1,832,657	2,641,058	1,426,111
79.	A & H-group (Col. 9)	87,092,174	100,318,195	104,620,056	139,630,374	193,902,012
80.	A & H-credit (Col. 10)					
81.	A & H-other (Col. 11)	36,891,162	46,994,386	42,831,646	25,301,658	30,942,985
82.	Aggregate of all other lines of business (Col. 12)	3,880,169	4,855,793	808,469	2,872,910	1,618,878
83.	Total (Col. 1)	196,055,466	225,227,263	227,668,637	256,845,680	302,492,761

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [ ] No [ ]

If no, please explain:

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10
	1	2	3	4	5	6	Number of 7	Number of 8	9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	Policies	Certificates	Amount of Insurance (a)	Total Amount of Insurance (a)
1. In force end of prior year			33,576	922,786			48,749	7,331,153	490,956,839	491,879,625
2. Issued during year			669	34,285			7,273	1,060,652	63,394,752	63,429,037
3. Reinsurance assumed										
4. Revived during year			6	173						173
5. Increased during year (net)			10	1,730				65,930	13,908,011	13,909,741
6. Subtotals, Lines 2 to 5			685	36,188			7,273	1,126,582	77,302,763	77,338,951
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		
8. Aggregate write-ins for increases										
9. Totals (Lines 1 and 6 to 8)			34,261	958,974			56,022	8,457,735	568,259,602	569,218,576
Deductions during year:										
10. Death			1,194	26,331			XXX	20,914	826,386	852,717
11. Maturity			126	617			XXX			617
12. Disability							XXX			
13. Expiry			194	8,815						8,815
14. Surrender			758	28,971				67	422	29,393
15. Lapse			336	23,559			6,211	904,447	61,870,694	61,894,253
16. Conversion				57			XXX	XXX	XXX	57
17. Decreased (net)							810	61,226	1,934,544	1,934,544
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. Totals (Lines 10 to 19)			2,608	88,350			7,021	986,654	64,632,046	64,720,396
21. In force end of year (Line 9 minus Line 20)			31,653	870,624			49,001	7,471,081	503,627,556	504,498,180
22. Reinsurance ceded end of year	XXX		XXX	468,571	XXX		XXX	XXX	254,610,045	255,078,616
23. Line 21 minus Line 22	XXX		XXX	402,053	XXX	(b)	XXX	XXX	249,017,511	249,419,564
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page.										
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)										
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page.										
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)										

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) Group $; Individual $

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends	XXX		XXX	150,244
25. Other paid-up insurance			9,237	44,751
26. Debit ordinary insurance	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
Term Insurance Excluding Extended Term Insurance	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies - decreasing			25	5,003
28. Term policies - other			271	6,615
29. Other term insurance - decreasing	XXX		XXX	222
30. Other term insurance	XXX		XXX	468
31. Totals (Lines 27 to 30)			296	12,308
Reconciliation to Lines 2 and 21:				
32. Term additions	XXX		XXX	
33. Totals, extended term insurance	XXX	XXX	727	12,410
34. Totals, whole life and endowment	669	34,285	30,630	845,906
35. Totals (Lines 31 to 34)	669	34,285	31,653	870,624

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36 Industrial				
37. Ordinary	34,285		521,706	348,919
38. Credit Life (Group and Individual)				
39. Group	63,394,752		503,627,555	
40. Totals (Lines 36 to 39)	63,429,037		504,149,261	348,919

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

NONE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to other companies	XXX		XXX	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		XXX		XXX
43. Federal Employees' Group Life Insurance included in Line 21				
44. Servicemen's Group Life Insurance included in Line 21				
45. Group Permanent Insurance included in Line 21				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	20,827

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.

47.1 Decreasing Term is the actual amount or amount is reduced annually depending on the product.

47.2 Family Policy Term = $3,000 or $5,000 per unit based on the product; Family and Children's Rider = $2,000 per unit

POLICIES WITH DISABILITY PROVISIONS

	Industrial		Ordinary		Credit		Group	
Disability Provisions	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certifi-cates	8 Amount of Insurance (a)
48. Waiver of Premium			2,527	31,025			5,248,393	360,010,609
49. Disability Income								
50. Extended Benefits			XXX	XXX				
51. Other								
52. Total		(b)	2,527	(b) 31,025		(b)	5,248,393	(b) 360,010,609

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions

EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH AND OTHER POLICIES

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	84	26	12	14,430
2. Issued during year				8,648
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	84	26	12	23,078
Deductions during year:				
6. Decreased (net)	12	3		8,422
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	12	3		8,422
9. In force end of year	72	23	12	14,656
10. Amount on deposit	414,153	(a) 848,850	2,610,071	(a) 513,334,386
11. Income now payable	72	23	12	
12. Amount of income payable	(a) 96,948	(a) 40,010	(a) 584,927	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year		4	529	5,134
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Lines 1 to 4)		4	529	5,134
Deductions during year:				
6. Decreased (net)		2	30	382
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)		2	30	382
9. In force end of year		2	499	4,752
Income now payable:				
10. Amount of income payable	(a)	XXX	XXX	(a) 16,257,342
Deferred fully paid:				
11. Account balance	XXX	(a) 54	XXX	(a) 99,409,775
Deferred not fully paid:				
12. Account balance	XXX	(a)	XXX	(a)

ACCIDENT AND HEALTH INSURANCE

	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	13,017,065	2,368,411,735			235,106	414,316,407
2. Issued during year	2,042,360	310,032,453			20	17,015
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. Totals (Lines 1 to 4)	15,059,425	XXX		XXX	235,126	XXX
Deductions during year:						
6. Conversions		XXX	XXX	XXX	XXX	XXX
7. Decreased (net)	1,781,281	XXX		XXX	13,981	XXX
8. Reinsurance ceded		XXX		XXX		XXX
9. Totals (Lines 6 to 8)	1,781,281	XXX		XXX	13,981	XXX
10. In force end of year	13,278,144	(a) 2,430,357,117		(a)	221,145	(a) 397,480,470

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1 Deposit Funds Contracts	2 Dividend Accumulations Contracts
1. In force end of prior year		9,993
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. Totals (Lines 1 to 4)		9,993
Deductions During Year:		
6. Decreased (net)		561
7. Reinsurance ceded		
8. Totals (Lines 6 and 7)		561
9. In force end of year		9,432
10. Amount of account balance	(a)	(a) 74,094,552

(a) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

	1	Direct Business Only					
		Life Contracts		4	5	6	7
		2	3				
States, Etc.	Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1. Alabama AL	L	13,742,290		31,695,949		45,438,240	
2. Alaska AK	L	5,461,295		13,895,247		19,356,542	
3. Arizona AZ	L	9,915,039		36,872,254		46,787,293	
4. Arkansas AR	L	17,508,632		33,557,751		51,066,383	
5. California CA	L	92,453,632	7,674	277,928,632		370,389,938	201,392
6. Colorado CO	L	28,160,900		39,745,986		67,906,887	
7. Connecticut CT	L	17,102,558	1,575	48,452,286		65,556,419	
8. Delaware DE	L	488,144		10,986,854		11,474,998	2,503
9. District of Columbia DC	L	11,775,819		38,267,066		50,042,885	5,060
10. Florida FL	L	46,379,468		122,838,422		169,217,889	5,494
11. Georgia GA	L	44,604,946		111,665,747		156,270,692	
12. Hawaii HI	L	2,607,218		20,993,683		23,600,901	
13. Idaho ID	L	2,453,811		4,322,847		6,776,657	
14. Illinois IL	L	59,976,651		112,354,735		172,331,386	
15. Indiana IN	L	22,656,386		46,167,980		68,824,366	
16. Iowa IA	L	9,780,191		15,795,486		25,575,677	
17. Kansas KS	L	11,099,302	630	18,059,288		29,159,221	708
18. Kentucky KY	L	10,528,288		32,292,291		42,820,579	
19. Louisiana LA	L	9,063,144		30,554,525		39,617,670	
20. Maine ME	L	15,451,820	2,436	38,564,093		54,018,348	2,588
21. Maryland MD	L	24,425,206		60,836,162		85,261,368	
22. Massachusetts MA	L	37,593,705	6,000	145,561,192		183,160,898	227,475
23. Michigan MI	L	43,952,425		93,014,577		136,967,002	19,994
24. Minnesota MN	L	35,714,268		56,582,054		92,296,321	
25. Mississippi MS	L	16,260,789		18,184,564		34,445,353	12,389
26. Missouri MO	L	28,908,405	2,240	55,098,216		84,008,860	
27. Montana MT	L	7,266,796		9,604,412		16,871,209	
28. Nebraska NE	L	10,214,004		15,342,109		25,556,113	22,143
29. Nevada NV	L	6,401,972		10,797,656		17,199,629	
30. New Hampshire NH	L	5,285,021	6,000	13,894,562		19,185,583	
31. New Jersey NJ	L	24,452,481		82,131,586		106,584,067	
32. New Mexico NM	L	4,809,262		10,823,088		15,632,350	
33. New York NY	Q	5,352,607		10,549,202		15,901,809	43,035
34. North Carolina NC	L	30,233,890		73,941,233		104,175,122	
35. North Dakota ND	L	7,851,157		6,809,826		14,660,983	
36. Ohio OH	L	37,715,951		100,640,692		138,356,644	9
37. Oklahoma OK	L	13,806,901		24,051,075		37,857,976	
38. Oregon OR	L	15,249,396		41,321,360		56,570,756	
39. Pennsylvania PA	L	47,571,639		143,311,135		190,882,774	233,789
40. Rhode Island RI	L	19,710,728	15,000	29,438,553		49,164,281	
41. South Carolina SC	L	8,177,342	600	19,605,667		27,783,609	
42. South Dakota SD	L	4,686,695		10,099,704		14,786,400	
43. Tennessee TN	L	26,783,031	1,500	84,743,523		111,528,055	
44. Texas TX	L	155,552,007	7,010	271,425,819		426,984,835	18,984
45. Utah UT	L	7,414,784		13,920,550		21,335,334	
46. Vermont VT	L	7,583,438	165	15,407,687		22,991,290	
47. Virginia VA	L	30,486,802	5,360	92,096,126		122,588,288	
48. Washington WA	L	49,095,728		78,533,244		127,628,973	42,155
49. West Virginia WV	L	3,664,603		8,758,175		12,422,778	
50. Wisconsin WI	L	27,603,184		64,972,827		92,576,012	
51. Wyoming WY	L	1,965,319		3,037,725		5,003,044	
52. American Samoa AS	N						
53. Guam GU	L	2,285				2,285	
54. Puerto Rico PR	L	51,493		83,157		134,650	
55. U.S. Virgin Islands VI	N	7,088		14,851		21,939	
56. Northern Mariana Islands MP	N						
57. Canada CAN	N	94,586		38,470		133,056	
58. Aggregate Other Alien OT	XXX	39,989		1,461,059		1,501,048	
59. Subtotal	(a) 52	1,177,194,514	56,190	2,751,142,961		3,928,393,665	837,718
90. Reporting entity contributions for employee benefits plans	XXX						
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX	6,992,268				6,992,268	
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX						
93. Premium or annuity considerations waived under disability or other contract provisions	XXX	392,560		24,069,256		24,461,815	
94. Aggregate or other amounts not allocable by State	XXX						
95. Totals (Direct Business)	XXX	1,184,579,342	56,190	2,775,212,216		3,959,847,748	837,718
96. Plus reinsurance assumed	XXX	2,952		75,152,171		75,155,123	
97 Totals (All Business)	XXX	1,184,582,293	56,190	2,850,364,388		4,035,002,871	837,718
98. Less reinsurance ceded	XXX	523,328,238	56,190	730,727,289		1,254,111,717	796,975
99. Totals (All Business) less Reinsurance Ceded	XXX	661,254,055		(b) 2,119,637,099		2,780,891,154	40,743
DETAILS OF WRITE-INS							
58001. Australia	XXX	1,788		948		2,735	
58002. Bermuda	XXX	15,125		1,419,680		1,434,805	
58003. France	XXX	692				692	
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	22,385		40,431		62,816	
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	39,989		1,461,059		1,501,048	
9401.	XXX						
9402.	XXX						
9403.	XXX						
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX						
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX						

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, etc., of premiums and annuity considerations

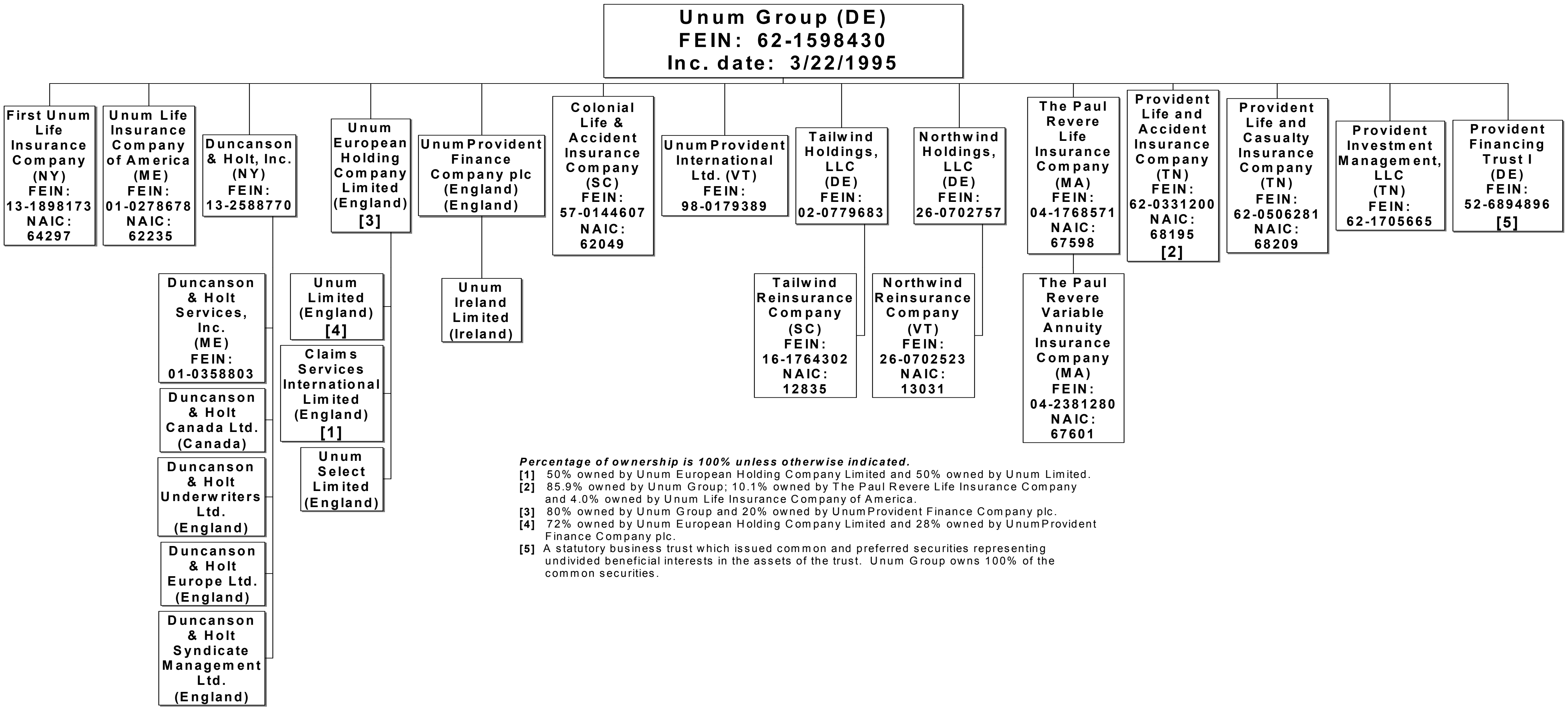
Individual premiums are allocated according to the policyholder's state of residence based on the mailing address used for billing. Group Life policyholders with less than 500 covered lives are allocated according to physical location of insured, if available, or the billing address, if physical location is not provided. Group Life policyholders with 500 or more lives are allocated by state based on a consumer census. Group A&H policyholders are allocated according to physical location of insured, if available, or the billing address, if physical location is not provided.

(a) Insert the number of L responses except for Canada and Other Alien.

(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10, or with Schedule H, Part 1, Line 1, indicate which: Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



Percentage of ownership is 100% unless otherwise indicated.

[1] 50% owned by Unum European Holding Company Limited and 50% owned by Unum Limited.
[2] 85.9% owned by Unum Group; 10.1% owned by The Paul Revere Life Insurance Company and 4.0% owned by Unum Life Insurance Company of America.
[3] 80% owned by Unum Group and 20% owned by UnumProvident Finance Company plc.
[4] 72% owned by Unum European Holding Company Limited and 28% owned by UnumProvident Finance Company plc.
[5] A statutory business trust which issued common and preferred securities representing undivided beneficial interests in the assets of the trust. Unum Group owns 100% of the common securities.

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year 1 Assets	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
2504. Receivable for investment income	890,579		890,579	1,406,021
2505. Premiums receivable - other lines	4,202,418		4,202,418	4,298,696
2597. Summary of remaining write-ins for Line 25 from overflow page	5,092,997		5,092,997	5,704,717

Additional Write-ins for Liabilities Line 25

	1 Current Year	2 Prior Year
2504. Other miscellaneous liabilities	12,742,786	11,534,215
2505. Missing claimants liability	8,333,278	7,608,125
2506. Liability for unauthorized reinsurance (P&C)	964,564	964,564
2597. Summary of remaining write-ins for Line 25 from overflow page	22,040,629	20,106,904

Additional Write-ins for Summary of Operations Line 8.3

	1 Current Year	2 Prior Year
08.304. Income from corporate owned life insurance	6,113,539	5,971,970
08.305. Interest on federal income tax refund	1,789	0
08.306. Premium income - other lines	166,842	571,357
08.307. Other income (loss) from other lines	96,158	(186,709)
08.397. Summary of remaining write-ins for Line 8.3 from overflow page	6,378,329	6,356,618

Additional Write-ins for Summary of Operations Line 27

	1 Current Year	2 Prior Year
2704. Benefits and expenses from other lines	(2,154,491)	(3,085,544)
2705. Fines and penalties paid to regulatory authorities	1,048	24,998
2797. Summary of remaining write-ins for Line 27 from overflow page	(2,153,443)	(3,060,546)

Additional Write-ins for Exhibit of Net Investment Income Line 9

	1 Collected During Year	2 Earned During Year
0904. Net Interest on Reinsurance Settlements	(50,767)	(50,767)
0905. Miscellaneous	211	211
0997. Summary of remaining write-ins for Line 9 from overflow page	(50,556)	(50,556)

Additional Write-ins for Schedule T Line 58

States, Etc.	1 Active Status	Direct Business Only: Life Contracts 2 Life Insurance Premiums	3 Annuity Considerations	4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
58004. Georgia	XXX	125				125	
58005. Germany	XXX	3,631		165		3,796	
58006. Hong Kong	XXX	2,313		2,874		5,187	
58007. Ireland	XXX			2,727		2,727	
58008. Israel	XXX	3,813		6,516		10,329	
58009. Italy	XXX			2,209		2,209	
58010. Japan	XXX			811		811	
58011. Lebanon	XXX	1,017				1,017	
58012. Malaysia	XXX			1,958		1,958	
58013. Mexico	XXX	1,040				1,040	
58014. Military APO	XXX	372				372	
58015. Netherlands	XXX			5,006		5,006	
58016. Nicaragua	XXX	464				464	
58017. Peru	XXX			3,420		3,420	
58018. Phillippines	XXX	113				113	
58019. Scotland	XXX	456		617		1,073	
58020. Sweden	XXX	983				983	
58021. Trinidad	XXX	864				864	
58022. Turkey	XXX			843		843	
58023. United Kingdom	XXX	7,195		13,284		20,478	
58997. Summary of remaining write-ins for Line 58 from overflow page	XXX	22,385		40,431		62,816	

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Analysis of Operations Line 8.3

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
08.304. Income from corporate owned life insurance	6,113,539								6,113,539			
08.305. Interest on federal income tax refund	1,789		27		41		124	19	1,030		548	
08.306. Premium income - other lines	166,842											166,842
08.307. Other income (loss) from other lines	96,158											96,158
08.397. Summary of remaining write-ins for Line 8.3 from overflow page	6,378,329		27		41		124	19	6,114,569		548	263,000

Additional Write-ins for Analysis of Operations Line 27

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
2704. Benefits and expenses from other lines	(2,154,491)											(2,154,491)
2705. Fines and penalties paid to regulatory authorities	1,048		2				142		850		55	
2797. Summary of remaining write-ins for Line 27 from overflow page	(2,153,443)		2				142		850		55	(2,154,491)

Additional Write-ins for Schedule H Part 1 Line 11

	Total		Group Accident and Health		Credit Accident and Health (Group and Individual)		Collectively Renewable		Other Individual Contracts									
									Non-Cancelable		Guaranteed Renewable		Non-Renewable for Stated Reasons Only		Other Accident Only		All Other	
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %
1104. Miscellaneous (income) loss	(7,295,326)	(0.3)	(7,272,108)	(0.3)					95,870	2.6	(118,787)	(6.3)	(300)	(0.6)				
1105. Reserve adjustment on assumed modco agreements	(2,961,192)	(0.1)	6,714	0.0					(2,797,436)	(74.8)	(4,140)	(0.2)	(166,330)	(317.7)				
1106. Transfers on account of group package policies	309,990	0.0	(3,117)	0.0							313,107	16.7						
1107. Fines and Penalties	905	0.0	850	0.0			2		19	0.0	34	0.0						
1197. Summary of remaining write-ins for Line 11 from overflow page	(9,945,623)	(0.5)	(7,267,662)	(0.3)			2		(2,701,547)	(72.2)	190,214	10.2	(166,630)	(318.2)				

ALPHABETICAL INDEX

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ANNUAL STATEMENT BLANK (Continued)